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Service

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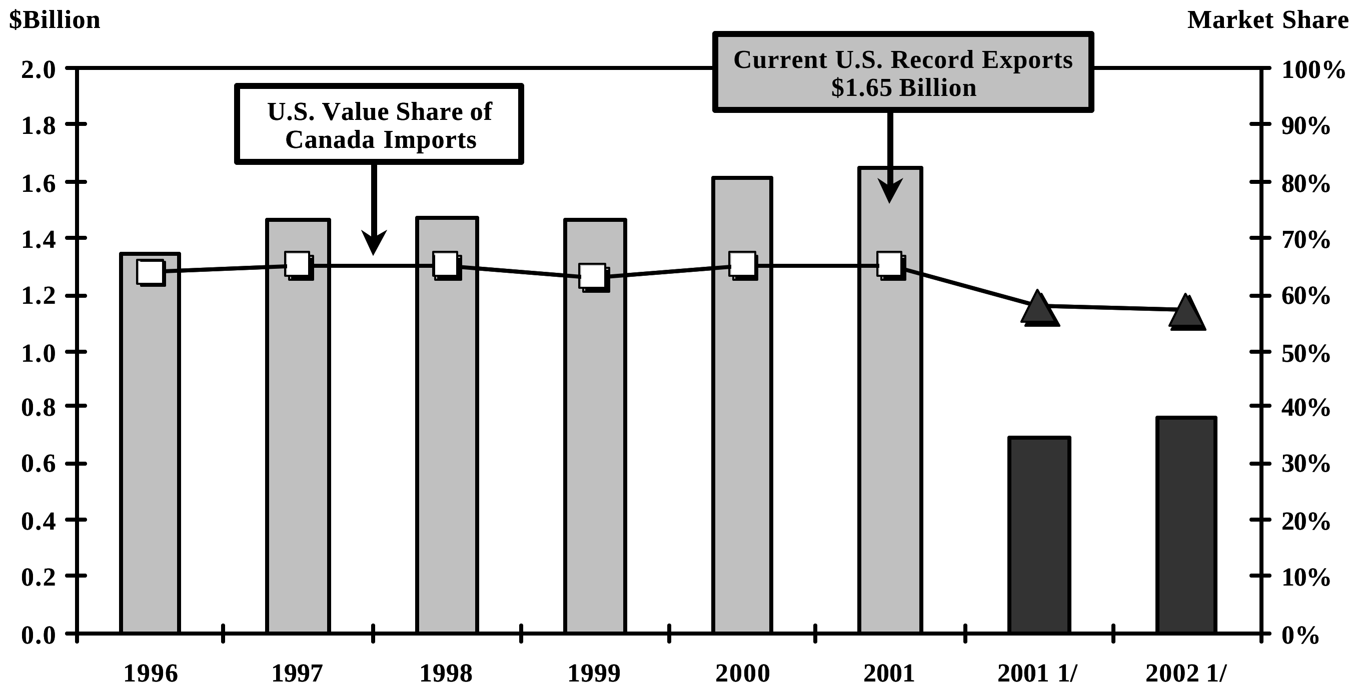
World Horticultural Trade and U.S. Export Opportunities

U.S. Exports of Fruits, Vegetables, and Tree Nuts to Canada Running At Record Pace in CY 2002

The United States Continues to Dominate Canada's Fresh Import Market



1/ U.S. exports and market share during January-May
Source:U.S. Bureau of the Census and Statistics Canada

The United States remains the major supplier of fresh horticultural products to Canada. Moreover, fresh fruits, fresh vegetables, and tree nuts comprise nearly half the value of all U.S. horticultural exports to Canada. U.S. fresh shipments to Canada, valued at nearly $750 million during January-May 2002, are up 7 percent and running at a record pace compared to shipments during the same period last year. Canada's demand for U.S. fruits, vegetables, and tree nuts also continues strong. In the last 6 calendar years, the U.S. share of Canada's imports of these horticultural categories has remained at about 65 percent. Overall, U.S. fresh fruit shipments to Canada in 2001 totaled $663 million, up 4 percent from the preceding year. Citrus, grapes, and strawberries are the leading U.S. fresh fruits demanded by Canadians. Canada is also the largest U.S. market for fresh vegetables. In 2001, with a value of nearly $900 million, Canada imported more than half of U.S. global vegetable exports. Lettuce, accounting for nearly 20 percent of the total, is the top U.S. vegetable exported to Canada. U.S. tree nut exports to Canada in 2001 were valued at more than $105 million, or 10 percent of the global value of U.S. sales last year. Shelled almonds, pecans, and walnuts are the major tree nuts exported.

[Check Out the New U.S. Trade Internet System Website. Go to http://www.fas.usda.gov/ustrade]

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Yvette Wedderburn Bomersheim	202-720-0911	Wine, grape juice, table grapes, Export credit programs

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Export Summary

May

U.S. exports of horticultural products to all countries in May totaled $972 million, an increase of 1 percent from May 2001. The categories with significant increases in May were essential oils (up 17 percent to $71 million), fruit and vegetable juices (up 9 percent to $75 million) and fresh vegetables (up 2 percent to $132 million). The categories with the most significant decreases were wine and beer (down 5 percent to $64 million) and fresh fruit (down 4 percent to $185 million).

May 2002 exports to Canada were up 7 percent from May 2001 to $354 million, while exports to the EU rose 3 percent to $168 million, sales to Mexico climbed 4 percent to $76 million and sales to Korea rose 13 percent from May 2001 to $29 million. May exports to China were up 1 percent from May 2001 to $12 million. Exports to Japan fell 8 percent to $161 million, while exports dropped dramatically to Hong Kong (down 20 percent to $21 million) and Taiwan (down 16 percent to $20 million) from May 2001.

Exports for the fiscal year (FY) 2002 period were about even with the same period in FY 2001 at $7.4 billion. Tree nut exports were up about 8 percent to $876 million for the October-May 2001/02 period, while essential oils exports were up 13 percent to $483 million, and fruit and vegetable juices rose about 6 percent to $501 million. All other categories declined. Exports to Canada rose 4 percent to $2.3 billion for the October-May period, while exports to the EU rose 1 percent to $1.4 billion and exports to Mexico rose 5 percent to $653 million. Exports to Japan, Hong Kong, and Taiwan dropped 8 percent, 12 percent, and 23 percent, respectively compared with the same period in FY 2001. The fastest growing markets for FY 2002 to date include: Russia, up 79 percent, India, up 36 percent, Korea, up 23 percent, the Dominican Republic, up 19 percent, Colombia, up 20 percent, Jamaica, up 13 percent, the United Arab Emirates, up 11 percent, Israel up 6 percent, and China, up 6 percent.

To access FAS Attaché Reports online, please reference the following Internet address:

http://www.fas.usda.gov/scriptsw/attacherep/default.asp

Search through the country and market reports prepared by FAS attaches covering over 20 horticultural and tropical product commodities and nearly 130 countries. Search by keyword, including country and commodity.

Visit the HTP Homepage!

The Horticultural & Tropical Products (HTP) Division Homepage is updated weekly to bring the latest information to the public as efficiently as possible. The site contains information on policy and technical developments affecting trade in horticultural commodities, as well as selected reports submitted by FAS overseas offices and special reports prepared by the division. The information typically remains on the site for approximately one week, before being archived. For further information on this site, please contact Nancy Hirschhorn (202) 720-2974. Go to http://www.fas.usda.gov/htp.

SPECIAL ANNOUNCEMENT!!!

Foodapest (Budapest, Hungary – November 26-29, 2002). The U.S. Department of Agriculture, Foreign Agricultural Service is organizing a U.S. Pavilion at the Foodapest trade show in Budapest, Hungary. Products identified as having excellent market potential in Central Europe include nuts (almonds, peanuts, pecans), raisins and dried fruits (cranberries, dried plums), seafood, distilled liquors, snack foods, prepared sauces and condiments, and miscellaneous grocery items. There are a variety of ways you can participate: purchase booth space in the U.S. Pavilion; order a customized package of meetings with potential business partners under our Dialogue Concept; or participate in the American Café. In support of this package of options, USDA is sponsoring a series of professional seminars at the fairgrounds to highlight the U.S. presence at this show, with food importers in particular. For more information on any of these options, contact Sharon Cook/FAS Trade Show Office at 202-720-3425.

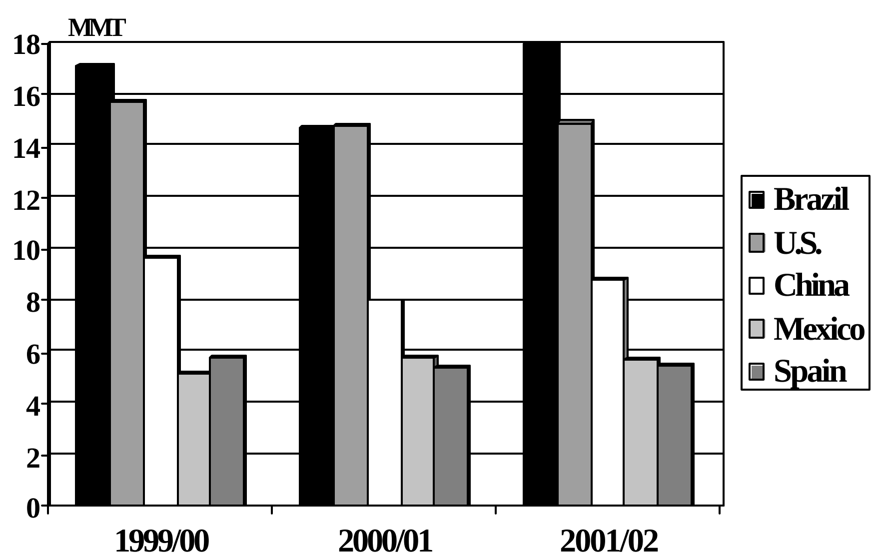
Situation and Outlook for Citrus

World citrus production in selected major-producing countries in 2001/02 is estimated at 71.1 million metric tons, an increase of nearly 6 percent from the 2000/01 level. A large portion of the increase is attributed to a recovery in production in Brazil and China. Brazil's total citrus production is forecast at 18 million tons, up 22 percent from the previous year; while China's level is up by almost 800,000 tons. Total world exports of citrus for major exporters during 2001/02 are estimated at 7.8 million tons, essentially unchanged from the year before.

GLOBAL PRODUCTION

World citrus production in selected major-producing countries in 2001/02 is estimated at 71.1 million tons, an increase of nearly 6 percent from the 2000/01 level. A large portion of the increase is attributed to a recovery in production in Brazil and China.

Total Citrus Production in the Top Producing Countries



Brazil

Brazil's production of total citrus in 2001/02 (marketing year July 2002-June 2003) is forecast at 18 million tons (oranges only), and accounts for 25 percent of the world total for selected-producing countries. This increased production is due to projected higher yields resulting from an excellent bloom period, good weather conditions through mid-March, and better grove management resulting from improved prices last year. The yield for the 2001/02 crop is forecast at 2.18 boxes (40.8 kilograms each) per tree, up 25 percent from last year. Production continues to be affected by some serious citrus diseases, most notably citrus canker and tristeza. In addition, a new disease "morte subita dos citrus," (MSC or sudden death of citrus) was initially noted in December 1999 in the western part of Minas Gerais and northern Sao Paulo. The major difference between MSC and tristeza is that MSC affects the sweet orange/lime "cravo" grafting combination, whereas tristeza affects sweet orange on sour orange grafts.

United States

Total U.S. citrus production during 2001/02 is estimated at 14.9 million tons, essentially unchanged from the 2000/01 level. Orange production during 2001/02 is estimated at 11.3 million tons, up 1 percent from 11.2 million tons in 2000/01. However, Florida's orange crop is estimated at a total 9.4 million tons, up 2.7 percent from last year. California's orange crop is estimated at 1.1 million tons, down 11 percent from last year. There were some adverse weather conditions in California, such as freeze and frost during January and during harvest.

There have been canker finds in several counties in Florida. Governor Bush of Florida had signed into law a bill that allowed additional measures that the state could take to control citrus canker. This bill authorized the Florida Department of Agriculture and Consumer Services to remove citrus trees that are located within 1,900 feet of canker-infected trees. However, on May 24, 2002, a Broward County circuit court issued a temporary injunction against the eradication program. The state sought an appeal of that ruling so that it can again start eliminating infected trees and those trees within 1,900 feet of the infected trees. The Fourth District Court of Appeal issued an opinion on July 9, 2002, that the issue should go to the Florida Supreme Court as soon as the case can be heard. However, on July 18, 2002, the Florida Supreme Court refused to hear the case and as a result, the May 24, 2002, ruling stands. Citrus canker represents a significant risk to Florida's $9 billion citrus industry. According to sources, nearly 605,000 residential trees and 1.6 million commercial grove trees have been destroyed in 13 Florida counties since 1995.

Mexico

Mexico's production of citrus during 2001/02 is estimated at 5.7 million tons, up over 1 percent from last year. The orange production estimate was revised up to 3.8 million tons from 3.1 million tons. Better-than-expected weather occurred in most of the producing states that produced good first and second blooms on the orange trees. Reports indicate that this has had a negative effect on prices in Mexico and some producers may leave oranges on the trees. Grapefruit production is estimated at 225,000 tons, down

25,000 tons from the 2000/01 level. Mexico's production for other citrus (limes) is unchanged from the previous estimate of 1.65 million tons.

Spain

Spain's total citrus production during 2001/02 is estimated at 5.5 million tons, up just 1 percent from the previous year. However, reports indicate that weather conditions such as high temperatures, hailstorms, and damaging rains during different times of the growing season hurt output. Orange production has been revised to 2.8 million tons, up from 2.7 million tons previously. Tangerine production was revised up to 1.66 million tons. However, this is still down 7 percent from the previous year and down 20 percent from 1999/2000.

Argentina

Argentina's production of citrus during 2001/02 is estimated at 2.6 million tons, down about 9 percent from the previous year's level. Lemons accounted for 47 percent; oranges account for 30 percent; tangerines, 16 percent; and grapefruit, 7 percent. While the steep peso devaluation has lowered the costs of production in dollar terms, some of this has been offset by the government's imposition of a 10-percent export tax and more costly imported inputs. An uncertain economic environment makes it extremely hard for farmers to make decisions. Lower input use, such as fertilizer and spraying chemicals, reduces yields. These factors have led to the downturn in production.

GLOBAL TRADE

Total world exports of citrus for major exporters during 2001/02 are estimated at 7.8 million tons, essentially unchanged from the year before. Spain is the largest exporter, accounting for 37 percent of the total, followed by the United States with 13 percent.

Spain

Spain's exports of total citrus are estimated at 2.87 million tons during 2001/02. Oranges are estimated at 1.3 million tons, tangerines at 1.0 million tons, and lemons at 550,000 tons. Following the ban placed on Spanish clementines by the United States in December 2001 in response to the detection of live Medfly larva in several shipments, exports to the United States dropped to zero during the January-March 2002 period. However, Spain's total exports of clementines during January-March 2002 have increased 71 percent over the previous year as shipments to France and Germany combined have more than doubled the January-March 2001 level. These two markets accounted for nearly half of the total of Spain's exports of clementines during January-December 2001. The United States accounted for only 9 percent of Spain's total clementine shipments during 2001.

United States

U.S. exports of citrus during 2001/02 are estimated at 1.0 million tons. Exports of oranges are estimated at 525,000 tons; grapefruit exports are estimated at 395,000 tons; lemons exports are estimated at 100,000 tons; and tangerines exports are estimated at 15,000 tons. The volume of exports of oranges is estimated to decline this year about 7 percent. Some weather problems in California, which affected the fruit set, led to a 5-percent reduction in the orange crop and higher prices. Since the majority of U.S. exports of oranges originate from California, exports of oranges are forecast to decline. In addition, the economic slowdown worldwide has reduced demand. Also, assorted trade policy and technical-related issues in key countries, such as Korea, have been a factor. During November-April 2001/02, U.S. exports of oranges (including temples) are down about 16 percent from a year ago. Exports of oranges to the top four markets of Canada, Korea, Japan and Hong Kong are down 3, 3, 27, and 23 percent, respectively.

Although the 2001/02 grapefruit crop in the United States is down slightly from last year, U.S. exports of grapefruit during the current marketing season (September-April 2001/02) are running about 2 percent ahead. Exports to the top two markets, Japan and Canada, are both running ahead of last year's pace. The European Union (EU) is also an important market for U.S. grapefruit. Since the EU does not grow substantial quantities of grapefruit, the EU does not unnecessarily restrict the imports of grapefruit. The United States was the largest supplier of grapefruit to the EU in January-December 2001, accounting for 30 percent of the total. South Africa, Israel, and Turkey are the major competitors for the United States in the EU.

In FY 2002, the citrus industry received approximately $5.6 million to conduct promotions overseas under the Market Access Program (MAP). The MAP has been instrumental in expanding markets for U.S. citrus in Canada, France, the United Kingdom, China, Hong Kong, Japan, Korea, Taiwan, Norway, Scandinavia, Singapore, and Malaysia. Consumer and trade promotions are developed for fresh oranges, fresh grapefruit, lemons, orange juice, and grapefruit juice.

In addition to MAP funds, the citrus industry received funds for market research in China under the Emerging Markets Program, for product sampling under the Quality Samples Program, and for market development under the Section 108 program in Scandinavia, China, and Taiwan.

Exports to MAP-targeted countries over the next 3 years are all expected to grow by 7 percent for fresh grapefruit, 6 percent for grapefruit juice, and 9 percent for orange juice. The citrus industry is also trying to introduce new products or product uses in some markets.

Argentina

Argentina's exports of citrus are estimated to drop about 19 percent from the 2000/01 level, due mainly to a return to a more normal level for orange exports. Exports of oranges during 2000/01 climbed to 107,000 tons, mainly as Argentina shipped to countries that were looking for an alternative supplier as the result of the poor South African crop. Exports of oranges in 2001/02 are estimated at 40,000 tons.

Lemon exports are forecast to decline by 15,000 tons, in large part a result of the U.S. action against Argentine lemons. On April 10, 2002, the Solicitor General's office decided not to appeal the court ruling that invalidated USDA's "systems approach" for allowing Argentine citrus imports into the United States. The court's ruling sided with the plaintiffs in the case (California citrus interests), and suggested that APHIS had not properly dealt with the issue of "negligible risk." The ruling also expressed concern with entrusting SENASA, Argentina's plant protection agency, with enforcing the mitigation measures used by the systems approach. In addition, citrus canker was subsequently reported to have been discovered in Argentina in several lemon-producing areas.

Korea

During January-December 2001, Korea's imports of oranges totaled 92,483 tons, down about 7 percent from the previous year. The United States provided 97 percent of the volume, with Australia a distant second with 1 percent. Of the orange total, 32,041 tons entered under Korea's Minimum Market Access (MMA) quota. This was the second year in a row that out-of-quota imports exceeded the quota imports. Korea's imports of oranges during January-May 2002 are running less than 1 percent ahead of last year. Several developments have occurred this year. With the establishment of the quota, the Cheju Citrus Grower's Agricultural Cooperative (CCGAC) was given the responsibility for the administration of the MMA quota. In prior years, CCGAC would import the MMA quota oranges and then sell the oranges in the retail market at the going higher price. This enabled the cooperative to capture the significant quota rent associated with the importation of these oranges. However, as the out-of-quota tariff rate has declined and come more in line with the in-quota rate, these profits to CCGAC have declined as well. As a result, for the past three years, Korea had not fulfilled its commitment under the MMA. CCGAC has shifted its approach and this year they auctioned the full MMA quota to 13 companies in Korea. However, countering this development has been actions by the Korean government, which have served to discourage trade. For example, U.S. shipments of citrus to Korea in May 2002 were held up at ports following the imposition of new regulations by the Korean government. Korea's port authorities were not releasing some U.S. citrus because the issue dates on the phytosanitary certificates were after the departure dates of the shipments even though this had been longstanding standard procedure for the industry. Following discussions between the Koreans and U.S. officials, imports resumed.

Japan

Japan's imports of citrus during 2001/02 are estimated at 503,000 tons, unchanged from the previous year's level. Of the total, 275,000 tons are grapefruit, 125,000 tons are oranges, 90,000 tons are lemons, and 13,000 tons are tangerines. The United States is the major supplier, accounting for 75

percent of the imported grapefruit, 76 percent of the lemons, and 83 percent of the oranges. Although Japan's consumers like the taste and quality of U.S. citrus, Japan's authorities take steps to protect the domestic citrus industry, which produces unshu oranges. In order to limit the imports of oranges during the distribution season for its domestic production of unshu oranges, Japan imposes seasonal duties for oranges. Imports during December-May (key marketing season for U.S. oranges) of any given year face a duty rate of 32 percent compared to 16 percent during the rest of the year.

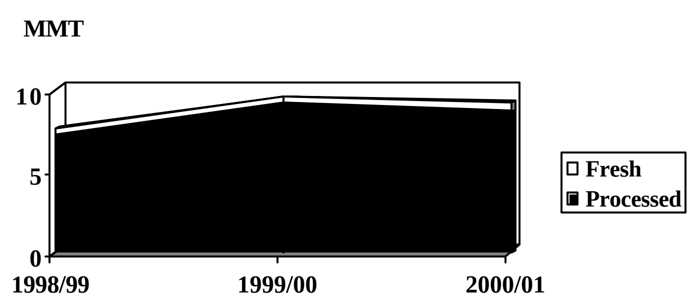
CONSUMPTION AND MARKETING

Total citrus consumption in 2001/02 for the major producing countries is estimated at 64.6 million tons, 33.8 million tons of fresh consumption and 30.8 million tons of processed consumption. Processed consumption is for the processing of oranges into orange juice. This represents an increase from the previous year of 6 percent.

United States

A large part of the citrus produced in the United States goes to processing for juice. About 75 percent of the total citrus crop is forecast to be processed in 2001/02. For oranges produced in Florida, 95-96 percent of the orange crop is processed for orange juice. For grapefruit produced in Florida, the amount going to processing varies, but has ranged from 58-66 percent during the last few years. If production increases, more goes to processing, since grapefruit consumption has been static. So the production and demand for juices in the United States and in major markets plays a significant role in Florida's citrus industry.

Florida's Orange Crop Goes Mainly for Processing



Brazil

The total for Brazil's volume of oranges processed is estimated at 12.6 million tons. This represents about 70 percent of the production level. Since only a small amount of fresh oranges is exported, most of what is grown in Brazil is headed to the processing sector and for export of orange juice. The amount used for fresh consumption (mostly domestic) represents 29 percent of the total.

China

China's consumption of fresh oranges closely follows its production level. About 95 percent of the total citrus produced is freshly consumed within China; about 4 percent is processed for juice. Right now imports of citrus (mostly oranges) represent less than 1 percent of consumption. However, U.S. exports of oranges to China account for a large share of the country's imports and China represents an important developing market for U.S. exporters. There is a long history of citrus consumption within China and citrus fruit remains a popular snack, gift, and "ending" to meals, especially at restaurants.

The Attaché Report search engine contains reports for citrus for several countries including annuals for Australia, Brazil, Argentina, and South Africa. For more information on production and trade, contact Debra A. Pumphrey at 202-720-8899 or at Debra.Pumphrey@fas.usda.gov Also, please visit the citrus commodity page: http://www.fas.usda.gov/htp/horticulture/citrus.html for the latest information. For more information on marketing issues, contact Sonia Jimenez at 202-720-0898.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

TOTAL CITRUS

Country/Year 3/		Production	Imports	Exports	Consumption 2/	Processed
				(1,000 Metric tons)		
Northern Hemisphere Mediterranean Basin						
Cyprus						
	1999/00	198	0	98	49	51
	2000/01	166	0	83	48	35
	2001/02	156	0	78	41	37
Egypt						
	1999/00	2,470	0	235	2,194	41
	2000/01	2,438	0	248	2,146	44
	2001/02	2,475	0	258	2,172	45
Gaza						
	1999/00	124	0	12	112	0
	2000/01	124	0	12	112	0
	2001/02	124	0	12	112	0
Greece						
	1999/00	1,250	12	321	545	396
	2000/01	1,330	11	369	575	397
	2001/02	897	38	266	382	287
Israel						
	1999/00	800	15	254	177	384
	2000/01	662	0	206	144	312
	2001/02	600	0	163	144	293
Italy						
	1999/00	2,899	196	238	1,699	1,158
	2000/01	3,022	213	260	1,766	1,209
	2001/02	3,138	213	270	1,808	1,273
Morocco						
	1999/00	1,386	0	570	676	140
	2000/01	983	0	376	569	38
	2001/02	1,020	0	390	600	30
Spain						
	1999/00	5,805	129	3,329	1,321	1,284
	2000/01	5,442	258	2,697	1,590	1,413
	2001/02	5,514	148	2,870	1,520	1,272
Turkey						
	1999/00	2,260	0	509	1,525	226
	2000/01	2,225	0	475	1,528	222
	2001/02	2,230	0	540	1,467	223
Subtotal Mediterranean Basin						
	1999/00	17,192	352	5,566	8,298	3,680
	2000/01	16,392	482	4,726	8,478	3,670
	2001/02	16,154	399	4,847	8,246	3,460
Other Northern Hemisphere						
China						
	1999/00	9,708	21	156	8,969	604
	2000/01	8,039	51	182	7,678	230
	2001/02	8,832	57	210	8,335	344
Cuba						
	1999/00	769	0	30	154	585
	2000/01	779	0	35	159	585
	2001/02	527	0	10	77	440
Japan						
	1999/00	1,817	500	5	2,027	285
	2000/01	1,504	503	5	1,876	126
	2001/02	1,636	503	5	1,999	135

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

TOTAL CITRUS

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
South Korea					
1999/00	635	1	6	597	33
2000/01	563	0	7	529	27
2001/02	651	1	10	586	56
Mexico					
1999/00	5,218	42	277	4,274	709
2000/01	5,765	38	267	4,834	702
2001/02	5,675	38	274	4,727	712
United States					
1999/00	15,673	328	1,051	3,068	11,882
2000/01	14,803	394	1,084	3,140	10,973
2001/02	14,881	332	1,039	3,024	11,150
Subtotal Other Northern Hemisphere					
1999/00	33,820	892	1,525	19,089	14,098
2000/01	31,453	986	1,580	18,216	12,643
2001/02	32,202	931	1,548	18,748	12,837
Total Northern Hemisphere					
1999/00	51,012	1,244	7,091	27,387	17,778
2000/01	47,845	1,468	6,306	26,694	16,313
2001/02	48,356	1,330	6,395	26,994	16,297
Southern Hemisphere					
Argentina					
1999/00	2,579	20	286	1,179	1,134
2000/01	2,808	13	413	1,272	1,136
2001/02	2,566	6	335	1,099	1,138
Australia					
1999/00	624	13	143	192	302
2000/01	437	9	150	136	160
2001/02	591	13	150	180	274
Brazil					
1999/00	17,136	0	90	5,418	11,628
2000/01	14,729	0	122	5,100	9,507
2001/02	17,993	0	122	5,222	12,649
South Africa					
1999/00	1,423	2	717	313	395
2000/01	1,500	2	790	325	387
2001/02	1,585	2	803	321	463
Total Southern Hemisphere					
1999/00	21,762	35	1,236	7,102	13,459
2000/01	19,474	24	1,475	6,833	11,190
2001/02	22,735	21	1,410	6,822	14,524
Total World					
1999/00	72,774	1,279	8,327	34,489	31,237
2000/01	67,319	1,492	7,781	33,527	27,503
2001/02	71,091	1,351	7,805	33,816	30,821

1/ Forecast.
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the Northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH ORANGES

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Northern Hemisphere					
Mediterranean Basin					
Cyprus					
1999/00	134	0	59	40	35
2000/01	102	0	40	40	22
2001/02	98	0	39	34	25
Egypt					
1999/00	1,637	0	208	1,406	23
2000/01	1,610	0	225	1,357	28
2001/02	1,642	0	230	1,382	30
Gaza 4/					
1999/00	105	0	7	98	0
2000/01	105	0	7	98	0
2001/02	105	0	7	98	0
Greece					
1999/00	1,040	1	267	394	380
2000/01	1,100	0	305	417	378
2001/02	800	3	246	280	277
Israel					
1999/00	327	10	89	96	152
2000/01	225	0	71	69	85
2001/02	190	0	55	70	65
Italy					
1999/00	1,750	57	135	1,042	630
2000/01	1,800	59	143	1,106	610
2001/02	1,935	60	150	1,145	700
Morocco					
1999/00	845	0	298	417	130
2000/01	693	0	240	415	38
2001/02	680	0	200	450	30
Spain					
1999/00	2,828	77	1,484	641	780
2000/01	2,688	180	1,068	900	900
2001/02	2,807	80	1,300	800	787
Turkey					
1999/00	1,100	0	102	888	110
2000/01	1,070	0	115	848	107
2001/02	1,040	0	130	806	104
Subtotal Mediterranean Basin					
1999/00	9,766	145	2,649	5,022	2,240
2000/01	9,393	239	2,214	5,250	2,168
2001/02	9,297	143	2,357	5,065	2,018
Other Northern Hemisphere					
China					
1999/00	3,236	19	8	3,085	162
2000/01	2,907	49	3	2,893	60
2001/02	2,924	55	3	2,918	58
Cuba					
1999/00	440	0	10	100	330
2000/01	450	0	15	105	330
2001/02	340	0	5	50	285
Japan					
1999/00	21	129	0	148	2
2000/01	19	132	0	149	2
2001/02	19	125	0	142	2

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH ORANGES

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
			(1,000 Metric tons)		
Mexico					
1999/00	3,385	32	11	2,996	410
2000/01	3,885	27	19	3,493	400
2001/02	3,800	27	20	3,397	410
United States 5/					
1999/00	11,875	48	519	1,494	9,910
2000/01	11,225	54	566	1,603	9,110
2001/02	11,337	60	525	1,522	9,350
Subtotal Other Northern Hemisphere					
1999/00	18,957	228	548	7,823	10,814
2000/01	18,486	262	603	8,243	9,902
2001/02	18,420	267	553	8,029	10,105
Total Northern Hemisphere					
1999/00	28,723	373	3,197	12,845	13,054
2000/01	27,879	501	2,817	13,493	12,070
2001/02	27,717	410	2,910	13,094	12,123
Southern Hemisphere					
Argentina					
1999/00	789	12	40	621	140
2000/01	913	7	107	670	143
2001/02	780	3	40	603	140
Australia					
1999/00	624	13	143	192	302
2000/01	437	9	150	136	160
2001/02	591	13	150	180	274
Brazil					
1999/00	17,136	0	90	5,418	11,628
2000/01	14,729	0	122	5,100	9,507
2001/02	17,993	0	122	5,222	12,649
South Africa 6/					
1999/00	1,119	1	517	295	308
2000/01	1,150	1	586	295	270
2001/02	1,220	1	590	301	330
Total Southern Hemisphere					
1999/00	19,668	26	790	6,526	12,378
2000/01	17,229	17	965	6,201	10,080
2001/02	20,584	17	902	6,306	13,393
Total World					
1999/00	48,391	399	3,987	19,371	25,432
2000/01	45,108	518	3,782	19,694	22,150
2001/02	48,301	427	3,812	19,400	25,516

1/ Forecast.
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown.
4/ Tangerine production is small and is included with oranges.
5/ Includes Temples.
6/ Includes small quantities of tangerines.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH TANGERINES

Country/Year 3/		Production	Imports	Exports	Consumption 2/	Processed
		(1,000 Metric tons)				
Northern Hemisphere						
Mediterranean Basin						
Egypt						
	1999/00	478	0	10	463	5
	2000/01	481	0	8	471	2
	2001/02	483	0	10	473	0
Greece						
	1999/00	85	0	30	51	4
	2000/01	100	0	34	61	5
	2001/02	40	0	10	28	2
Israel						
	1999/00	120	0	35	40	45
	2000/01	86	0	30	30	26
	2001/02	85	0	29	35	21
Italy						
	1999/00	594	72	67	414	185
	2000/01	592	57	76	375	198
	2001/02	636	53	79	400	210
Morocco 4/						
	1999/00	511	0	272	229	10
	2000/01	260	0	136	124	0
	2001/02	310	0	190	120	0
Spain						
	1999/00	2,070	25	1,360	450	285
	2000/01	1,780	39	1,106	460	253
	2001/02	1,655	45	1,020	460	220
Turkey						
	1999/00	500	0	121	329	50
	2000/01	560	0	157	347	56
	2001/02	550	0	170	325	55
Subtotal Mediterranean Basin						
	1999/00	4,358	97	1,895	1,976	584
	2000/01	3,859	96	1,547	1,868	540
	2001/02	3,759	98	1,508	1,841	508
Other Northern Hemisphere						
China						
	1999/00	6,472	2	148	5,884	442
	2000/01	5,132	2	179	4,785	170
	2001/02	5,908	2	207	5,417	286
Cuba						
	1999/00	5	0	0	5	0
	2000/01	5	0	0	5	0
	2001/02	2	0	0	2	0
Japan 5/						
	1999/00	1,704	9	5	1,428	280
	2000/01	1,398	13	5	1,285	121
	2001/02	1,532	13	5	1,410	130
South Korea						
	1999/00	635	1	6	597	33
	2000/01	563	0	7	529	27
	2001/02	651	1	10	586	56

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH TANGERINES

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
			(1,000 Metric tons)		
United States 6/					
1999/00	505	96	28	366	207
2000/01	421	100	14	350	157
2001/02	473	60	15	353	165
Subtotal Other Northern Hemisphere					
1999/00	9,321	108	187	8,280	962
2000/01	7,519	115	205	6,954	475
2001/02	8,566	76	237	7,768	637
Total Northern Hemisphere					
1999/00	13,679	205	2,082	10,256	1,546
2000/01	11,378	211	1,752	8,822	1,015
2001/02	12,325	174	1,745	9,609	1,145
Southern Hemisphere					
Argentina					
1999/00	438	0	24	378	36
2000/01	501	0	37	418	46
2001/02	416	0	40	331	45
Total Southern Hemisphere					
1999/00	438	0	24	378	36
2000/01	501	0	37	418	46
2001/02	416	0	40	331	45
Total World					
1999/00	14,117	205	2,106	10,634	1,582
2000/01	11,879	211	1,789	9,240	1,061
2001/02	12,741	174	1,785	9,940	1,190

1/ Forecast
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the Northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown.
4/ Clementines only
5/ Mainly satsumas (also called mandarin or unshu mikan, but also including mandarin hybrids.
6/ Includes tangelos which account for about half of combined tangerine and tangelo production. Export and import data include mandarins.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH GRAPEFRUIT

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Northern Hemisphere					
Mediterranean Basin					
Cyprus					
1999/00	36	0	23	3	10
2000/01	38	0	27	3	8
2001/02	37	0	26	3	8
Gaza					
1999/00	10	0	5	5	0
2000/01	10	0	5	5	0
2001/02	10	0	5	5	0
Israel					
1999/00	324	5	121	23	185
2000/01	320	0	95	25	200
2001/02	297	0	76	22	199
Italy					
1999/00	12	28	3	35	2
2000/01	20	30	5	40	5
2001/02	30	30	8	45	7
Turkey					
1999/00	140	0	72	54	14
2000/01	135	0	86	36	13
2001/02	140	0	90	36	14
Subtotal Mediterranean Basin					
1999/00	522	33	224	120	211
2000/01	523	30	218	109	226
2001/02	514	30	205	111	228
Other Northern Hemisphere					
Cuba					
1999/00	310	0	20	35	255
2000/01	310	0	20	35	255
2001/02	175	0	5	15	155
Japan					
1999/00	0	270	0	270	0
2000/01	0	274	0	274	0
2001/02	0	275	0	275	0
Mexico					
1999/00	240	9	2	215	32
2000/01	250	10	3	223	34
2001/02	225	10	4	197	34
United States					
1999/00	2,507	6	394	650	1,469
2000/01	2,240	19	387	611	1,261
2001/02	2,210	30	395	629	1,216
Subtotal Other Northern Hemisphere					
1999/00	3,057	285	416	1,170	1,756
2000/01	2,800	303	410	1,143	1,550
2001/02	2,610	315	404	1,116	1,405
Total Northern Hemisphere					
1999/00	3,579	318	640	1,290	1,967
2000/01	3,323	333	628	1,252	1,776
2001/02	3,124	345	609	1,227	1,633

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH GRAPEFRUIT

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Southern Hemisphere					
Argentina					
1999/00	189	8	18	99	80
2000/01	177	6	24	88	71
2001/02	170	3	25	75	73
South Africa					
1999/00	186	1	134	9	44
2000/01	195	1	129	10	57
2001/02	190	1	125	10	56
Total Southern Hemisphere					
1999/00	375	9	152	108	124
2000/01	372	7	153	98	128
2001/02	360	4	150	85	129
Total World					
1999/00	3,954	327	792	1,398	2,091
2000/01	3,695	340	781	1,350	1,904
2001/02	3,484	349	759	1,312	1,762

1/ Forecast.
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the Northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH LEMONS

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Northern Hemisphere Mediterranean Basin					
Cyprus					
1999/00	28	0	16	6	6
2000/01	26	0	16	5	5
2001/02	21	0	13	4	4
Gaza					
1999/00	9	0	0	9	0
2000/01	9	0	0	9	0
2001/02	9	0	0	9	0
Greece					
1999/00	125	11	24	100	12
2000/01	130	11	30	97	14
2001/02	57	35	10	74	8
Israel					
1999/00	18	0	1	15	2
2000/01	16	0	1	14	1
2001/02	17	0	1	15	1
Italy					
1999/00	543	39	33	208	341
2000/01	610	67	36	245	396
2001/02	537	70	33	218	356
Morocco					
1999/00	20	0	0	20	0
2000/01	20	0	0	20	0
2001/02	20	0	0	20	0
Spain					
1999/00	892	27	484	230	205
2000/01	960	39	522	230	247
2001/02	1037	23	550	260	250
Turkey					
1999/00	520	0	214	254	52
2000/01	460	0	117	297	46
2001/02	500	0	150	300	50
Subtotal Mediterranean Basin					
1999/00	2,155	77	772	842	618
2000/01	2,231	117	722	917	709
2001/02	2,198	128	757	900	669
Other Northern Hemisphere					
Japan					
1999/00	2	92	0	94	0
2000/01	2	84	0	86	0
2001/02	2	90	0	92	0
United States					
1999/00	762	17	106	381	292
2000/01	907	33	113	383	444
2001/02	855	40	100	380	415

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

FRESH LEMONS

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Subtotal Other Northern Hemisphere					
1999/00	764	109	106	475	292
2000/01	909	117	113	469	444
2001/02	857	130	100	472	415
Total Northern Hemisphere					
1999/00	2,919	186	878	1,317	910
2000/01	3,140	234	835	1,386	1153
2001/02	3,055	258	857	1,372	1084
Southern Hemisphere					
Argentina					
1999/00	1,163	0	204	81	878
2000/01	1,217	0	245	96	876
2001/02	1,200	0	230	90	880
South Africa					
1999/00	118	0	66	9	43
2000/01	155	0	75	20	60
2001/02	175	0	88	10	77
Total Southern Hemisphere					
1999/00	1,281	0	270	90	921
2000/01	1,372	0	320	116	936
2001/02	1,375	0	318	100	957
Total World					
1999/00	4,200	186	1,148	1,407	1,831
2000/01	4,512	234	1,155	1,502	2,089
2001/02	4,430	258	1,175	1,472	2,041

1/ Forecast.
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the Northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown. The harvest of lemons usually begins earlier and often extends throughout the year.

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

OTHER CITRUS

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Northern Hemisphere					
Mediterranean Basin					
Egypt 4/					
1999/00	355	0	17	325	13
2000/01	347	0	15	318	14
2001/02	350	0	18	317	15
Israel					
1999/00	11	0	8	3	0
2000/01	15	0	9	6	0
2001/02	11	0	2	2	7
Morocco					
1999/00	10	0	0	10	0
2000/01	10	0	0	10	0
2001/02	10	0	0	10	0
Spain 5/					
1999/00	15	0	1	0	14
2000/01	14	0	1	0	13
2001/02	15	0	0	0	15
Subtotal Mediterranean Basin					
1999/00	391	0	26	338	27
2000/01	386	0	25	334	27
2001/02	386	0	20	329	37
Other Northern Hemisphere					
Cuba 4/					
1999/00	14	0	0	14	0
2000/01	14	0	0	14	0
2001/02	10	0	0	10	0
Japan 6/					
1999/00	90	0	0	87	3
2000/01	85	0	0	82	3
2001/02	83	0	0	80	3
Mexico 7/					
1999/00	1,593	1	264	1,063	267
2000/01	1,630	1	245	1,118	268
2001/02	1,650	1	250	1,133	268
United States 7/					
1999/00	24	161	4	177	4
2000/01	10	188	4	193	1
2001/02	6	142	4	140	4
Subtotal Other Northern Hemisphere					
1999/00	1,721	162	268	1,341	274
2000/01	1,739	189	249	1,407	272
2001/02	1,749	143	254	1,363	275
Total Northern Hemisphere					
1999/00	2,112	162	294	1,679	301
2000/01	2,125	189	274	1,741	299
2001/02	2,135	143	274	1,692	312

FRESH CITRUS: SUPPLY & UTILIZATION, SELECTED COUNTRIES
1999/2000 - 2001/2002 1/

OTHER CITRUS

Country/Year 3/	Production	Imports	Exports	Consumption 2/	Processed
	(1,000 Metric tons)				
Total World					
1999/00	2,112	162	294	1,679	301
2000/01	2,125	189	274	1,741	299
2001/02	2,135	143	274	1,692	312

1/ Forecast.
2/ In Greece, Italy, and Spain "consumption" includes fruit withdrawn from the market under the European Union price support program.
3/ Crop years refers to harvest and marketing period, which usually begins in the fall and extends to the spring. This corresponds roughly to October-June in the Northern Hemisphere and April-December in the Southern Hemisphere. For the Southern Hemisphere, harvest occurs almost entirely during the second year shown. The harvest of limes usually begins earlier and often extends throughout the year.
4/ Mostly limes but some sour oranges and other varieties.
5/ Sour oranges.
6/ Summer oranges (Natsu mikan or natsu daidai, a hybrid of mandarin with sour orange or pomelo).
7/ Limes.

Situation and Outlook for Orange Juice

World orange juice production in selected major producing countries in 2001/02 is estimated at 2.5 million tons (65 degrees brix), an increase of nearly 16 percent from the 2000/01 level. Most of the increase is attributed to a return to more-normal levels of production in Brazil.

GLOBAL PRODUCTION

World orange juice production is forecast to stage a recovery from last year's low level. Production is estimated at 2.5 million tons (65 degrees brix), an increase of 378,000 tons from last year. Brazil's production in 2001/02 (local marketing year July 2002-June 2003) is forecast at 1.3 million tons, up nearly 30 percent from the 2000/01 level. U.S. production is also set to increase as a result of the increase in Florida's orange crop. Together, Brazil and the United States comprise over 90 percent of world output for the selected major producers.

Brazil

Brazil's production of orange juice during 2001/02 (marketing year July 2002-July 2003) is estimated at 1.3 million tons (65 degrees brix), up a significant 30 percent from the previous year due to higher fruit availability from the larger crop. Since Brazil's fresh crop orange exports are limited because of disease, any increase in orange supplies goes to either processing into orange juice or for the domestic fresh market. The amount of oranges destined for processing in Brazil in 2001/02 (marketing year July 2002-June 2003) is up 3.1 million tons from the previous year.

United States

U.S. production of orange juice during 2001/02 is estimated at 1.0 million tons, up 4 percent from the previous year. This corresponds to an increase in Florida's orange crop to a total 9.4 million tons, up 2.7 percent from last year. More than 95 percent of the orange crop in Florida is processed for orange juice.

GLOBAL TRADE

Exports of orange juice from the major producing countries in 2001/02 are forecast at 1.5 million tons (65 degrees brix), up 8 percent over last year. Exports from Brazil and the United States are estimated to increase 7 and 38 percent, respectively.

Brazil

With the substantial recovery in production, Brazil's exports of orange juice in 2001/02 (marketing year July 2002-June 2003) are forecast at 1.2 million tons. This represents only a 7-percent increase in exports, which is modest given the 30 percent increase in production. However, Brazil, the world's largest exporter of orange juice, drew down stocks in order to maintain its exports during 2000/01, lowering total supplies in the current year. Expectations are that Brazil will increase stock levels somewhat this year. Belgium and the Netherlands are the largest markets for Brazil's exports of orange juice.

United States

U.S. exports during 2001/02 are estimated at 120,000 tons, an increase of 38 percent from the previous year. U.S. exports of orange juice to date during the current marketing year (October 2001-April 2002) are running about 71 percent ahead of last year's pace. However, this rate of exports is not expected to continue. Part of the larger shipments can be attributed to last year's lower Brazilian supplies. With the higher Brazilian production and exports, U.S. shipments should slow. In addition, much larger shipments of orange juice to the EU so far this marketing year were, more than likely, partially in anticipation of higher EU import duties for orange juice in retaliation for U.S. steel duties. Since those higher duties have not been imposed, exports could slow.

EU

On May 14, 2002, the EU formally sent to the WTO lists of goods it might target with sanctions in possible retaliation for U.S. dumping duties on steel. This step was necessary in order for the EU to have the option to impose the sanctions at a later date. Although the EU had stated that the sanctions could have come as early as June 18, 2002, if the United States did not offer compensation for the steel duties, that did not happen. Since the United States has made some exemptions to the steel duties, the EU has decided to hold off on sanctions at this time, at least until September 30. However, the EU put forth two lists. The first list, which includes dried onions, apples, and orange juices, would be subject to 100-percent duties. The second longer list will apply if the WTO rules against the United States on the steel duties and the United States does not subsequently rescind the tariffs. The second list includes many additional horticultural products: frozen sweet corn, other dried vegetables, kidney beans, lentils, shelled walnuts, guavas, mangoes and mangosteens, grapefruit, grapes, pears and quinces, cherries, prepared sweet corn, and grapefruit juice. For the horticultural products on the second list, the additional duties range from 13-15 percent. According to the documents that the EU submitted, all of the commodities on the first list could collect an additional $601.9 million in revenue. The second list could generate an additional $585.5 million.

Japan

Japan's imports of orange juice during October-September 2001/02 are estimated at 110,000 tons, down about 5 percent from the previous year. Brazil is the largest supplier to Japan, accounting for 82 percent of the total 116,244 tons of orange juice imported by Japan during October-September 2000/01.

CONSUMPTION AND MARKETING

United States

U.S. consumption of orange juice in 2001/02 is estimated at 1.04 million tons, down slightly from last year. Even with the higher level of orange juice production, imports are running behind last year's level and exports have been significantly ahead. Stocks are forecast to be drawn down in order to support even this level of consumption.

On April 4, 2002, the 10th Judicial Circuit Court in Florida ordered the Florida Citrus Commission to propose a remedy in the Equalization Tax case. The court had ruled on March 15 that the equalization tax was unconstitutional because it illegally discriminated against foreign citrus products imported into Florida while it exempted imported juice products from other states, mostly California. Based on the ruling, the court was asked to order the Florida Department of Citrus (FDOC) to refund nearly $10 million in equalization taxes to its clients, the amount that the plaintiffs in the case have paid since filing the lawsuits in late 2000 and early 2001, plus 3 years in back taxes (the period of time limited by Florida tax laws.) Under a 1990 Supreme Court decision, the 10th District Court must give the Florida Citrus Commission the first opportunity to propose a remedy. The court gave the Citrus Commission until July to come up with a remedy. The remedy could include a complete refund to companies that paid the tax, back taxes against the companies' competitors who benefited from the tax exemption, or a remedy involving a combination of a tax refund and back taxes. In the wake of the court's March 15 ruling, the Florida legislature removed the tax exemption for domestic juice, with the new law going into effect July 1, 2002.

Brazil had also argued that the tax was unconstitutional because it discriminated against imports versus domestic product. Brazil asked for consultations under the WTO and such discussions have been held between Brazilian and U.S. officials. Given the changes in the law in Florida, it is unknown whether Brazil will move ahead with a possible WTO action.

Brazil

Brazil's consumption of processed orange juice is estimated at only 15,000 tons during 2001/02 (marketing year July 2002-June 2003), representing only about 1 percent of production. Brazilian consumers are more likely to fresh squeeze oranges for their juice needs.

The Attaché Report search engine contains reports for orange juice for several countries including annuals for Australia, Brazil, Argentina, and South Africa. For more information on production and trade, contact Debra A. Pumphrey at 202-720-8899. Also, please visit the citrus commodity page: http://www.fas.usda.gov/htp/horticulture/citrus.html for the latest information. For more information on marketing issues, contact Sonia Jimenez at 202-720-0898.

ORANGE JUICE: SUPPLY & UTILIZATION, MAJOR PRODUCING COUNTRIES IN NORTHERN HEMISPHERE

Country/Year 1/		Begin. Stocks	Production	Imports	Exports	Consumption	Ending Stocks
				Metric tons, 65 Degrees Brix 2/			
Greece	**3/**						
1998/99		2,044	10,000	10,000	4,500	17,500	44
1999/00		44	16,500	11,000	6,000	18,500	3,044
2000/01		3,044	21,000	8,000	8,000	18,440	5,604
2001/02	**F**	5,604	13,800	12,000	7,500	19,000	4,904
Italy	**4/**						
1998/99		30,000	25,000	14,000	28,000	28,000	13,000
1999/00		13,000	40,000	30,000	38,000	30,000	15,000
2000/01		15,000	38,000	30,000	41,000	31,000	11,000
2001/02	**F**	11,000	43,000	28,000	42,000	32,000	8,000
Mexico	**4/**						
1998/99		5,900	45,300	1	45,001	3,200	3,000
1999/00		3,000	41,000	142	37,801	3,341	3,000
2000/01		3,000	40,500	206	37,900	3,106	2,700
2001/02	**F**	2,700	41,000	150	37,501	3,349	3,000
Morocco	**5/**						
1998/99		4,788	9,500	943	9,913	1,934	3,384
1999/00		3,384	13,800	283	12,612	1,800	3,055
2000/01		3,055	4,000	400	5,500	1,800	155
2001/02	**F**	155	3,200	500	1,900	1,800	155
Spain	**6/**						
1998/99		5,100	45,300	25,500	56,600	18,000	1,300
1999/00		1,300	52,000	32,200	73,700	10,800	1,000
2000/01		1,000	46,000	35,000	70,000	11,000	1,000
2001/02	**F**	1,000	43,000	35,000	65,000	13,000	1,000
Turkey	**5/**						
1998/99		1,356	9,700	934	102	10,600	1,288
1999/00		1,288	11,000	1,195	167	11,500	1,816
2000/01		1,816	10,700	1,481	112	12,000	1,885
2001/02	**F**	1,885	10,700	1,500	100	12,200	1,785

ORANGE JUICE: SUPPLY & UTILIZATION, MAJOR PRODUCING COUNTRIES IN NORTHERN HEMISPHERE

Country/Year 1/	Begin. Stocks	Production	Imports	Exports	Consumption	Ending Stocks
			Metric tons, 65 Degrees Brix 2/			
United States 5/						
1998/99	379,122	879,165	245,802	106,842	1,017,414	379,833
1999/00	379,833	1,071,926	241,412	103,515	1,130,869	458,787
2000/01	458,787	963,098	183,463	87,193	1,052,255	465,900
2001/02 **F**	465,900	1,002,931	135,000	120,000	1,041,000	442,831
Northern Hemisphere Total						
1998/99	428,310	1,023,965	297,180	250,958	1,096,648	401,849
1999/00	401,849	1,246,226	316,232	271,795	1,206,810	485,702
2000/01	485,702	1,123,298	258,550	249,705	1,129,601	488,244
2001/02 **F**	488,244	1,157,631	212,150	274,001	1,122,349	461,675

1/ Year refers to marketing period which usually begins in the fall for the Northern Hemisphere and corresponds to the harvesting and marketing period for fresh citrus.
2/ Includes all processed orange juice whether or not concentrated. One metric ton of 65 degrees brix equals 344.8 gallons at 42 degrees brix and 1,405.88 gallons at single strength equivalent.
3/ Marketing season begins September 1 of first year shown.
4/ Marketing season begins January 1 of second year shown.
5/ Marketing season begins October 1 of first year shown.
6/ Marketing season begins November 1 of first year shown.
7/ Marketing season begins December 1 of first year shown.
F Forecast

Sources: National Agricultural Statistics Service and U.S. Department of Commerce, Bureau of Census. Florida Department of Citrus. Reports from U.S. Agricultural Counselors and Attaches and/or FAS/USDA estimates.

ORANGE JUICE: SUPPLY & UTILIZATION, MAJOR PRODUCING COUNTRIES IN SOUTHERN HEMISPHERE

Country/Year 1/	Begin. Stocks	Production	Imports	Exports	Consumption	Ending Stocks
			Metric tons, 65 Degrees Brix 2/			
Australia 3/						
1998/99	27,035	17,214	21,990	2,557	43,965	19,717
1999/00	19,717	22,609	23,267	2,670	44,942	17,981
2000/01	17,981	11,979	25,361	2,430	44,942	7,949
2001/02 F	7,949	20,513	23,448	2,443	44,942	4,525
Brazil 3/ 4/						
1998/99	297,000	1,360,000	0	1,295,000	16,000	346,000
1999/00	346,000	1,197,000	0	1,265,000	15,000	263,000
2000/01	263,000	978,000	0	1,135,000	15,000	91,000
2001/02 F	91,000	1,269,000	0	1,216,000	15,000	129,000
South Africa 5/						
1998/99	3,338	15,750	0	6,338	9,412	3,338
1999/00	3,338	23,501	100	9,698	12,700	4,541
2000/01	4,541	20,790	100	7,682	12,800	4,949
2001/02 F	4,949	25,410	110	12,960	12,900	4,609
Southern Hemisphere Total						
1998/99	327,373	1,392,964	21,990	1,303,895	69,377	369,055
1999/00	369,055	1,243,110	23,367	1,277,368	72,642	285,522
2000/01	285,522	1,010,769	25,461	1,145,112	72,742	103,898
2001/02 F	103,898	1,314,923	23,558	1,231,403	72,842	138,134
World Total						
1998/99	755,683	2,416,929	319,170	1,554,853	1,166,025	770,904
1999/00	770,904	2,489,336	339,599	1,549,163	1,279,452	771,224
2000/01	771,224	2,134,067	284,011	1,394,817	1,202,343	592,142
2001/02 F	592,142	2,472,554	235,708	1,505,404	1,195,191	599,809

1/ Marketing year indicated is for aggregation purposes with countries from the Northern Hemisphere corresponding to the harvesting and marketing period for fresh citrus. For the Southern Hemisphere, orange harvest occurs entirely during the second year shown.
2/ Includes all processed orange juice whether or not concentrated. One metric ton of 65 degrees brix equals 344.8 gallons at 42 degrees brix and 1,405.88 gallons at single strength equivalent.
3/ Marketing season begins July 1 of second year shown.
4/ Includes small quantities of tangerine juice.
5/ Marketing season begins February 1 of second year shown.
F Forecast

Source: National Agricultural Statistics Service and U.S. Department of Commerce, Bureau of Census. Florida Department of Citrus. Reports from U.S. Agricultural Counselors and Attaches and/or USDA/FAS estimates.

BRAZIL: SUPPLY AND DISTRIBUTION OF ORANGES AND FCOJ 1/

	1998	1999	2000	2001	2002 F
			Million Boxes 2/		
Oranges, Sao Paulo					
Production 3/	342	395	355	280	360
Fresh Consumption	60	92	79	51	57
Fresh Exports	2	3	2	3	3
Processed	280	301	274	226	300
FCOJ, Brazil	1,000 Metric Tons, 65 Degrees Brix 4/				
Beginning Stocks 5/	236	297	346	263	91
Production					
Sao Paulo	1,190	1,310	1,157	953	1,233
Other States	28	50	40	25	36
Total	1,218	1,360	1,197	978	1,269
Exports 6/					
Sao Paulo	1,110	1,245	1,225	1,110	1,180
Other States	28	50	40	25	36
Total	1,138	1,295	1,265	1,135	1,216
Consumption	19	16	15	15	15
Ending Stocks	297	346	263	91	129

1/ Harvesting and processing usually begin in late April or early May. Marketing season for FCOJ begins on July 1 of year indicated.
2/ 40.8 kilograms or 90 pounds.
3/ Includes oranges produced in Sao Paulo's commercial citrus zone, plus tangerines used for processing.
4/ One metric ton at 65 degrees Brix equals 344.8 gallons at 42 degrees Brix, or 1,405.88 gallons at single strength equivalent.
5/ Sao Paulo stocks.
6/ Includes tangerine juice.
F Forecast

U.S./Canada Horticultural Trade Under Liberalization: A Brief Summary

The United States and Canada began eliminating import tariffs and other restrictions to trade when the U.S./Canada Free Trade Agreement (FTA) was implemented in 1987. The accord was expanded in 1994 to include Mexico with the implementation of the North America Free Trade Agreement (NAFTA). Since then, trade in horticultural products between the United States and Canada has expanded significantly. U.S. and Canadian fruit and vegetable industries, as well as consumers, have benefited from new market opportunities offered by lower tariffs, elimination of import licenses, and the development of a more transparent business environment. Canada today continues to be the top export market for U.S. horticultural products. Likewise, the United States is the main destination for Canadian fruit and vegetable exports. Although the balance of horticultural trade between the two countries continues to favor the United States, the U.S. surplus is narrowing.

U.S. Exports to Canada

Canada remains key market for U.S. horticultural exports; Northern demand for U.S. fresh produce continues strong

Canada continues to be the leading customer for U.S. exports of horticultural products. Increasing steadily since the U.S./Canada FTA was established in 1987, U.S. horticultural exports to Canada reached a record $3.3 billion in calendar year 2001, almost a third of the value of U.S. global horticultural shipments last year. Fresh fruits, tree nuts, and fresh vegetables comprise nearly half the value of all U.S. horticultural exports to Canada. Citrus, grapes, and strawberries are the leading U.S. fresh fruits demanded by Canadians. Shelled almonds, pecans, and walnuts are the major tree nuts exported. Top U.S. fresh vegetable sales to Canada include lettuce, tomatoes, and potatoes.

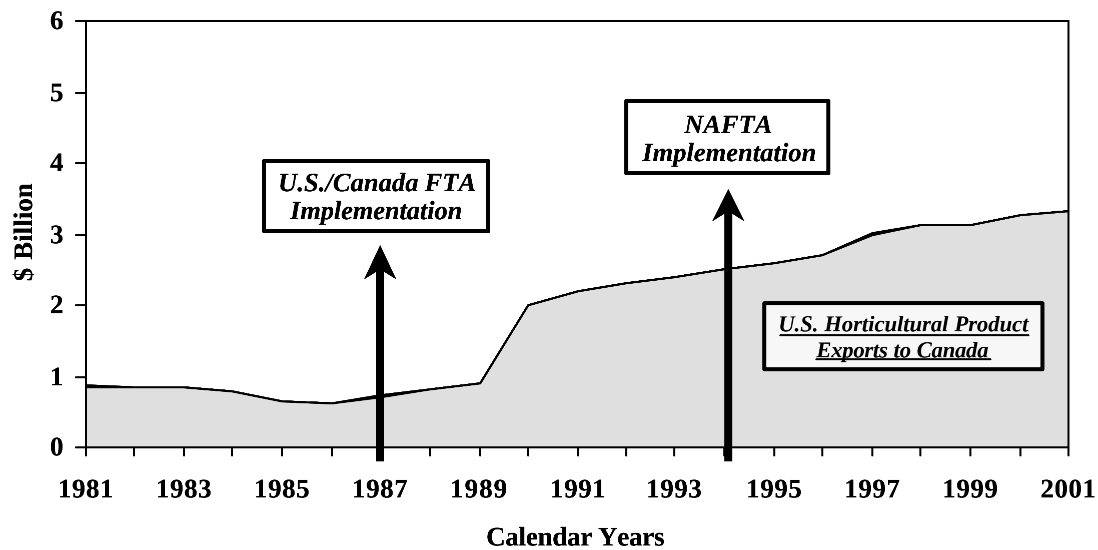
Top U.S. Horticultural Exports to Canada
Calendar Years, Rank by 2001 Export Value
1,000 Dollars

Product	Rank	1995	1996	1997	1998	1999	2000	2001	Change 2000-01
Lettuce	1	$137,011	$109,999	$129,551	$134,899	$131,053	$157,223	$155,753	-1
Fresh Citrus	2	$146,610	$149,373	$157,087	$157,034	$108,133	$129,314	$137,500	6
Orange Juice	3	$120,108	$120,369	$124,258	$132,513	$132,639	$126,471	$125,375	-1
Tomatoes	4	$98,411	$93,592	$108,703	$107,409	$104,097	$121,249	$114,959	-5
Table Grapes	5	$117,508	$110,283	$121,756	$102,033	$117,117	$113,466	$106,771	-6
Potatoes	6	$80,344	$78,213	$79,033	$81,918	$75,223	$82,669	$85,498	3
Wine	7	$47,833	$64,246	$69,209	$80,748	$83,761	$90,778	$82,246	-9
Strawberries	8	$51,078	$52,112	$57,726	$57,365	$71,243	$79,208	$81,739	3
Carrots	9	$36,366	$35,534	$44,343	$52,213	$60,148	$61,764	$70,994	15
Peppers	10	$43,794	$47,142	$53,241	$54,010	$57,630	$65,994	$68,708	4
Grand Total		$879,063	$860,863	$944,907	$960,142	$941,044	$1,028,136	$1,029,543	0

More than 50 percent of Canada's import demand for fresh fruits and nuts originate in the United States. The Canadian market accounted for 30 percent of the value of U.S. global shipments of fruits in 2001. Chile, Mexico, and Costa Rica are the major competitors to U.S. fruits going to Canada, although with much smaller import market shares. On the other hand, U.S. tree nuts exports to Canada were valued at practically $110 million last year, or 10 percent of the global value of U.S. tree nut exports. Almonds, pecans, and walnuts combined account for around 60 percent of all U.S. nut shipments to Canada.

U.S. Horticultural Exports to Canada Have Benefited from Free Trade

Exports Reached a Record $3.3 Billion in CY 2001



Source:U.S. Bureau of the Census

Canada is the largest market for U.S. fresh vegetable exports. In 2001, with a value of nearly $900 million, Canada imported more than 70 percent of U.S. global vegetable exports. Moreover, the United States supplies about 80 percent of the Canadian fresh vegetable import market. Lettuce, with nearly a 20-percent share, is the top U.S. vegetable exported to Canada. Fresh tomatoes and potatoes follow, accounting for 15 percent and 10 percent of all vegetable sales to Canada, respectively.

<u>*Following years of increases, U.S. wine exports to Canada decreased in 2001*</u>

Canada is the United States second largest market for wine and wine products. In 2001, U.S. wine exports to Canada were valued at $95 million, about 20 percent of global exports and almost twice the value exported in 1993, just before NAFTA implementation. The reduction in tariffs, due to NAFTA, has been crucial in keeping exports to Canada up in the face of a strengthening U.S. dollar and increasing competition from both traditional European regions and new world wines from Australia, Chile, and Argentina.

However, despite the zero tariff levels under NAFTA, several barriers within the market exist that continue to hinder trade. Some of these include; cost-of service mark-ups, discriminatory marketing regulations, warehousing and delivery requirements, and bottle size restrictions. In addition, a new plan to manage alcoholic beverage purchases in Quebec, a major wine consuming province, is being implemented and reviewed and could result in increased costs to U.S. suppliers.

All U.S. Exports of Horticultural Products to Canada
Calendar Years, Rank by 2001 Export Value
1,000 Dollars

Product	Rank	1995	1996	1997	1998	1999	2000	2001	Change 2000-01
Fresh Vegetables	1	$645,453	$593,611	$672,423	$693,009	$691,833	$788,723	$801,410	2
Miscellaneous Fruits & Vegetables	2	$337,966	$403,504	$494,811	$532,803	$548,153	$525,981	$527,577	0
Fresh Deciduous Fruits	3	$283,801	$287,687	$308,281	$277,218	$294,973	$296,842	$303,312	2
Fruit & Vegetable Juices	4	$207,686	$227,368	$246,565	$259,158	$274,186	$272,101	$268,287	-1
Canned Vegetables	5	$189,783	$206,784	$213,176	$230,458	$231,126	$223,260	$241,501	8
Essential Oils	6	$80,413	$92,200	$99,010	$97,703	$118,096	$140,546	$152,254	8
Other Fresh Fruits	7	$88,486	$85,970	$94,791	$98,207	$117,935	$133,650	$139,566	4
Fresh Citrus	8	$146,610	$149,373	$157,087	$157,034	$108,133	$129,314	$137,500	6
Tree Nuts	9	$85,056	$91,639	$87,952	$96,382	$105,062	$109,022	$109,416	0
Nursery Products	10	$82,991	$79,165	$87,404	$93,595	$92,406	$96,755	$97,666	1
Wine & Wine Products	11	$54,149	$72,188	$77,429	$89,576	$96,417	$104,876	$93,943	-10
Fresh Melons	12	$68,546	$67,865	$70,115	$73,693	$75,500	$79,471	$82,239	3
Fresh Potatoes	13	$70,594	$68,016	$67,414	$69,986	$62,524	$68,538	$72,446	6
Frozen Vegetables	14	$31,680	$39,401	$51,522	$56,826	$54,574	$58,199	$62,353	7
Dried Vegetables	15	$43,901	$48,118	$52,283	$50,119	$47,757	$47,885	$52,664	10
Dried Fruits	16	$51,633	$47,666	$48,179	$49,108	$49,970	$49,365	$48,450	-2
Canned Fruits	17	$25,868	$29,363	$34,583	$38,726	$42,769	$40,164	$34,377	-14
Miscellaneous Prepared Fruits	18	$20,904	$20,510	$23,655	$24,278	$23,858	$29,663	$32,843	11
Frozen Fruits	19	$22,615	$25,072	$25,254	$31,896	$32,386	$34,747	$32,348	-7
Cut Flowers	20	$18,048	$18,556	$23,377	$25,196	$26,624	$28,193	$29,757	6
Hops	21	$9,296	$10,336	$11,113	$8,452	$7,129	$5,941	$6,378	7
Olives	22	$3,665	$4,149	$3,916	$3,508	$3,568	$3,322	$2,882	-13
Ginseng	23	$1,732	$1,640	$1,480	$1,530	$2,109	$1,456	$1,137	-22
Grand Total		$2,570,876	$2,670,180	$2,951,818	$3,058,462	$3,107,088	$3,268,014	$3,330,305	2

Source of Data: U.S. Dept. of Commerce, Bureau of Census

Nevertheless, the USDA's Market Access Program has contributed to the long-term export growth of U.S. wines in the Canadian market. Wine export promotion programs have focused on California, through the California Wine Institute; Oregon and Washington, through the Northwest Wine Promotion Coalition; and New York through the New York Wine and Grape Foundation.

U.S. Imports from Canada

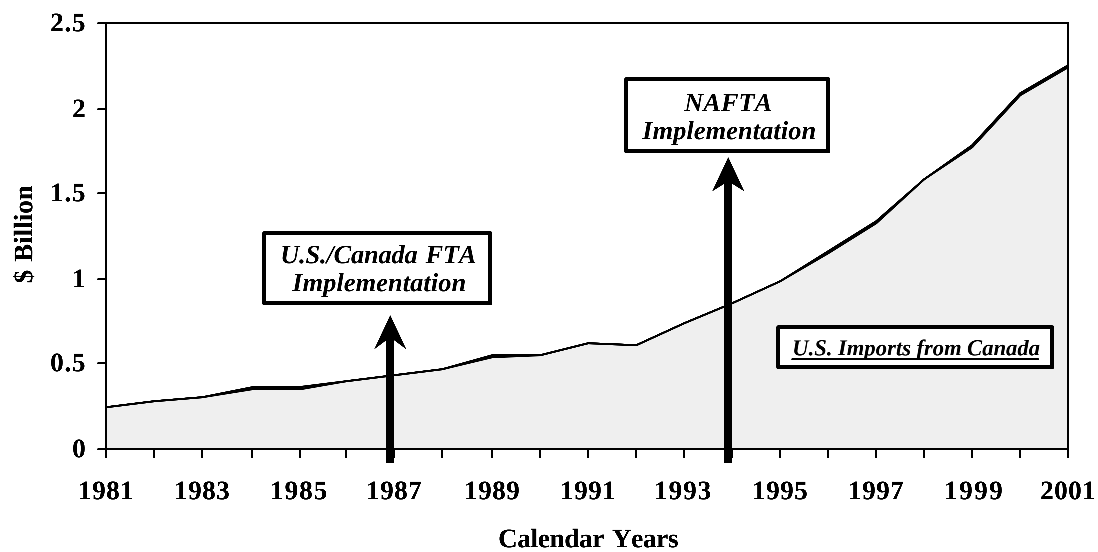
U.S. imports of Canadian fruits and vegetables continue to rise; processed products remain the lead horticultural group.

The United States buys more than 70 percent of Canada's global exports of horticultural products. Processed fruits and vegetables are the main products shipped to the United States, accounting for about 30 percent of the value of all U.S. horticultural imports from Canada. For example, U.S. frozen vegetable imports from Canada have tripled since 1994. Total U.S. imports of Canadian frozen vegetables were valued at more than $430 million in 2001. Frozen potato fries are the leading frozen vegetable item the United States imports from Canada. U.S. imports of Canadian frozen potato fries have increased steadily since 1994, reaching a record $382 million in 2001. Nevertheless, bilateral trade in potatoes and potato products between the United States and Canada continues to be marked by several sensitive issues.

Likewise, U.S. imports of canned vegetables from Canada were valued at nearly $90 million in 2001, 7 times the value imported prior to 1994. After Canada, Mexico and Brazil supply most of the U.S. demand for imported processed fruits and vegetables.

Trade Liberalization Has Boosted U.S. Imports of Canadian Horticultural Products

Imports Reached a Record $2.2 Billion in CY 2001



Source:U.S. Bureau of the Census

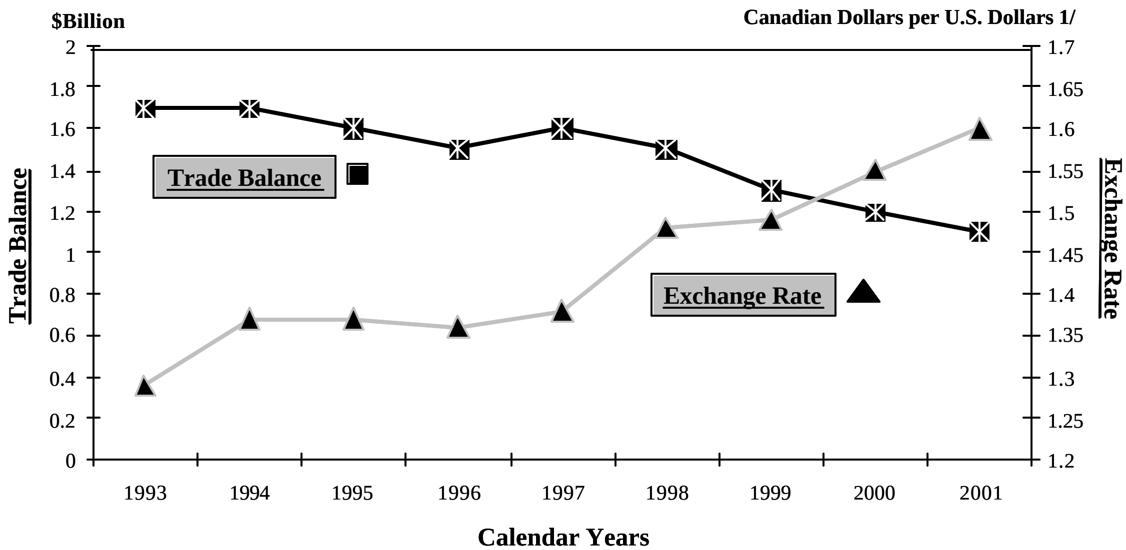
<u>*U.S. horticultural trade surplus with Canada is narrowing*</u>

While U.S. and Canada horticultural trade has increased substantially, the United States has maintained a surplus. However, the U.S. horticultural trade surplus with Canada is narrowing. In 2001, the U.S. horticultural surplus with Canada totaled $1.1 billion compared to $1.7 billion registered in 1993, the year prior to NAFTA implementation. A stronger U.S. dollar vis-à-vis the Canadian dollar has been in part accountable for the diminishing trend in the value of the trade surplus the United States has with Canada.

Nevertheless, viewed in relative terms, the United States continues to maintain a very strong position in Canada. Canada, with a population of about 32 million people, and a current average per capita GDP of approximately $25,000, imported $105.48 per capita of U.S. horticultural products in 2001. The same year, the United States, with a population of nearly 280 million people and a per capita GDP of over $36,000, posted per capita imports of horticultural products from Canada of $8.07.

U.S. Horticultural Trade Surplus with Canada Continues to Narrow

A Stronger U.S. Dollar vis-à-vis the Canadian Dollar is an Important Factor



1/ Exchange rate in nominal value
Source:U.S. Bureau of the Census and Classic Currency Converter.

Some U.S.-Canada Trade Issues

Canada's restrictions on bulk imports

Canada's regulations prohibit bulk shipments of some fresh fruits and vegetables under certain circumstances. The regulation applies to both imported and domestic produce. The Canadian Food Inspection Agency, however, grants waivers (also known as "ministerial exemptions") for bulk imports when local supplies are insufficient to meet domestic fresh or processing demand.

The U.S. potato industry has expressed its concern for years concerning Canada's bulk limitations. Nevertheless, Canada remains an important market for U.S. fresh potatoes, with exports valued at $72 million in 2001.

Recently, the New York apple industry also raised the issue of Canadian bulk restrictions. For apples, however, U.S. growers from New York have reportedly not had problems shipping golden apple varieties to Canada. This is principally due to the fact that the Canadians do not grow a lot of the golden varieties. However, over the years, apple growers from New York have had problems getting red apple varieties into Canada, primarily during times when supplies of red varieties in Canada are plentiful. Overall, there has never been reported an instance of a ministerial bulk exemption being denied during times when supplies of red apple varieties or any other fresh products in Canada were short.

U.S. Imports of Horticultural Products from Canada
Calendar Years, Rank by 2001 Import Value
In 1,000 U.S. Dollars

Product	Rank	1995	1996	1997	1998	1999	2000	2001	Change 2000-01
Miscellaneous Fruits & Vegetables	1	384,042	428,344	449,710	487,268	531,556	585,827	656,980	12
Frozen Vegetables	2	129,962	165,486	234,155	295,913	346,868	412,570	437,162	6
Fresh Vegetables	3	81,951	107,924	151,679	222,953	258,703	333,962	386,434	16
Nursery Products	4	128,433	153,112	185,420	226,304	246,765	279,554	307,906	10
Canned Vegetables	5	35,459	39,340	50,994	65,926	77,407	74,462	88,971	19
Fresh Potatoes	6	56,574	89,946	64,423	96,757	89,211	77,051	67,059	-13
Wine & Wine Products	7	912	1,398	2,443	3,575	23,471	48,488	63,075	30
Other Fresh Fruits	8	39,550	34,253	31,850	54,313	47,471	47,165	53,152	13
Frozen Fruits	9	14,564	23,302	28,315	31,909	35,808	42,378	46,991	11
Canned Fruits	10	19,268	12,744	18,929	19,573	22,444	26,494	34,177	29
Fruit & Vegetable Juices	11	14,567	26,662	47,723	18,442	25,878	22,524	25,803	15
Fresh Deciduous Fruits	12	24,520	30,916	25,611	22,408	23,787	24,256	22,436	-8
Essential Oils	13	33,128	18,109	16,904	18,477	16,519	20,136	18,371	-9
Dried Vegetables	14	5,607	7,181	9,549	9,922	10,070	17,291	17,110	-1
Miscellaneous Prepared Fruits	15	8,092	7,353	4,867	4,453	6,605	6,233	7,388	19
Tree Nuts	16	1,912	2,151	3,126	2,470	3,213	3,362	6,515	94
Cut Flowers	17	2,522	2,570	3,496	3,006	3,033	3,028	2,939	-3
Dried Fruits	18	213	122	119	104	516	450	1,316	192
Ginseng	19	819	1,554	1,391	2,188	909	1,781	896	-50
Fresh Melons	20	37	87	11	6	43	46	282	508
Olives	21	39	2	1	63	23	57	5	-92
Fresh Citrus	22	6	3	0	63	8	0	0	N/A
Hops	23	564	213	394	0	2	0	0	N/A
Grand Total		982,742	1,152,772	1,331,112	1,586,091	1,770,309	2,027,113	2,244,969	11

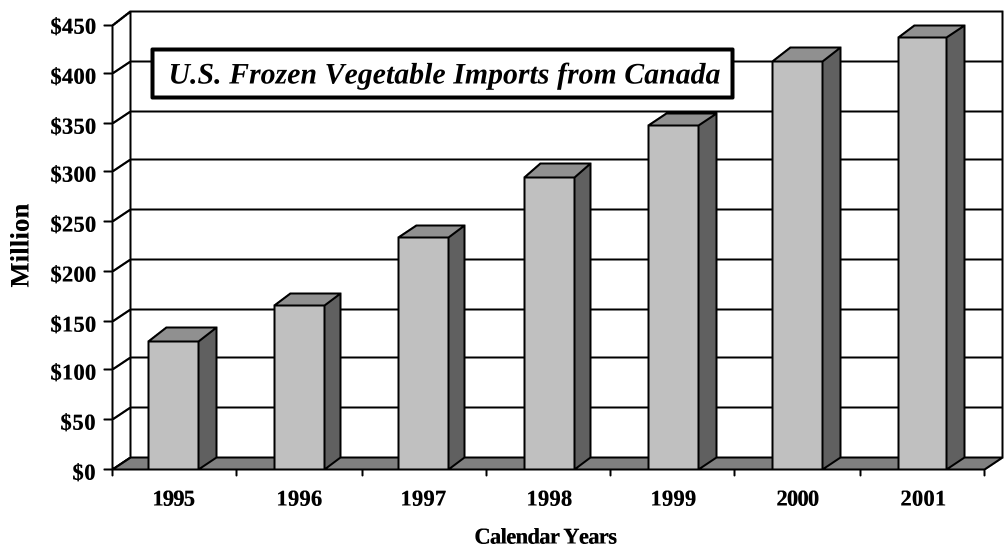
Source of Data: U.S. Dept. of Commerce, Bureau of Census

U.S-Canadian tomato trade disputes

Fresh vegetable trade between Canada and the United Sates has faced many challenges. Regarding tomato trade, both sides have recently been involved in anti-dumping cases, which were resolved. On March 28, 2001, several U.S. hothouse tomato-producing firms jointly filed with the U.S. International Trade Administration (ITA) an anti-dumping petition against Canadian hothouse tomatoes. The U.S. industry alleged that greenhouse tomatoes from Canada were being sold in the United Sates at less than fair value. On February 20, 2002, the ITA announced its final determination that Canada sold their product below fair value in the U.S. market. Final anti-dumping margins, from 1.53 percent to 18.21 percent, were imposed on Canadian hothouse tomatoes going to the United States. However, on April 2, 2002, the U.S. International Trade Commission issued a final negative determination on the issue of injury to the U.S. industry from imports of greenhouse tomatoes from Canada. This negative determination effectively terminated the case against the Canadian product.

Frozen Vegetables are the Main Processed Horticultural Product the United States Imports from Canada

Frozen potato fries are the leading component



Source:U.S. Bureau of the Census

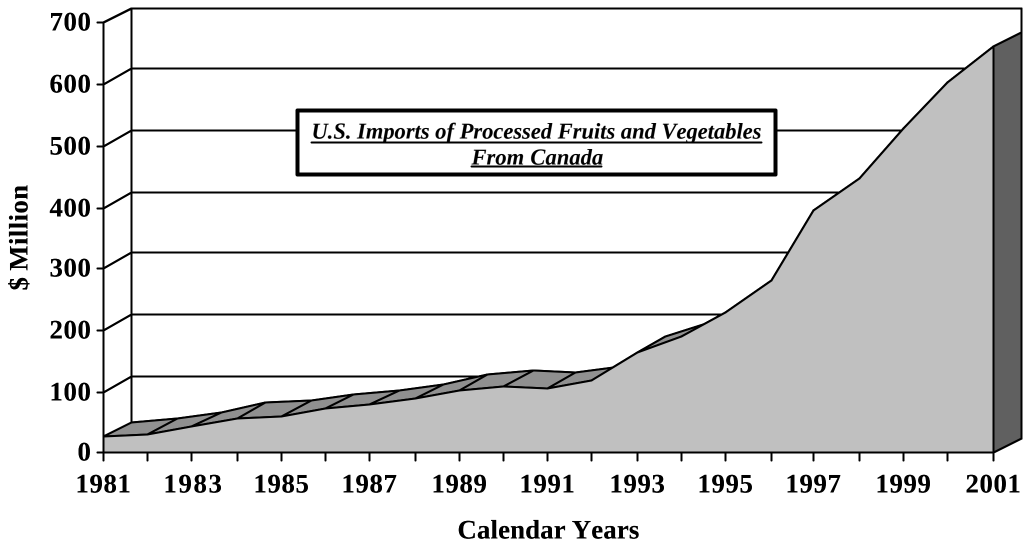
For its part, in response to the U.S. antidumping complaint, the Canadian Tomato Trade Alliance filed a complaint against imports of U.S. field tomatoes on June 28, 2001. The industry group alleged the United States was dumping field tomatoes in the Canadian market and, as such, damaging its domestic industry. On November 9, 2001, the Canada Customs and Revenue Agency (CCRA) initiated an antidumping investigation against U.S. fresh field tomatoes (mostly from Florida and California) going to the Canadian fresh market. On March 25, 2002, CCRA announced provisional duties of up to 71 percent on imports of fresh tomatoes from the United States, excluding tomatoes for processing.

On June 26, 2002, the Canadian International Trade Tribunal issued its finding that the dumping of fresh tomatoes from the United States had not caused material injury to the domestic industry. This negative determination brought the case to a close.

U.S. exports of fresh tomatoes, mostly field grown, to Canada in 2001 were valued at $108 million, down 5 percent from 2000. U.S. imports of greenhouse tomatoes from Canada in calendar year 2001 totaled 58,524 metric tons valued at $96 million, up 21 percent in volume and 23 percent in value. U.S. imports of Canadian greenhouse tomatoes represent 52 percent of total greenhouse tomatoes imported into the United States during this period.

U.S. Imports of Canadian Processed Fruits and Vegetables Increasing Sharply

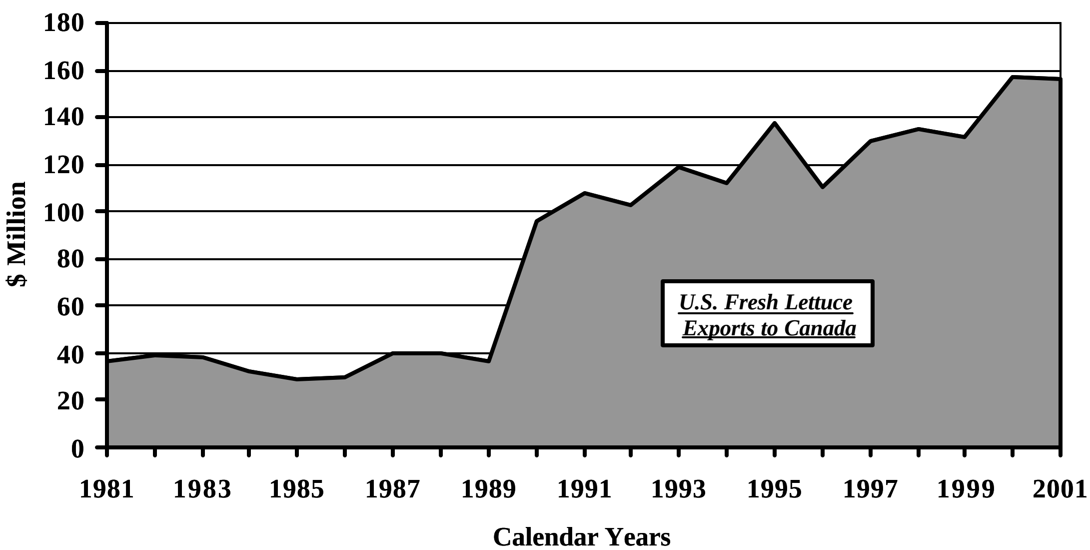
Canada Supplies a Third of U.S. Imports of Processed Fruits & Vegetables



Source:U.S. Bureau of the Census

Lettuce is the Leading Fresh Vegetable the United States Exports to Canada

Accounts for About 20% of U.S. Fresh Vegetable Sales to Canada



Source:U.S. Bureau of the Census

(For more information, contact Samuel Rosa at (202) 720-6086 or Samuel.Rosa@fas.usda.gov)

World Trade Situation and Policy Updates

U.S. Apples Arrive in Cuba

Ending a 40-year absence, 20 tons of U.S. (Washington state) Red Delicious apples, valued at approximately $15,000 arrived in Cuba during the week of July 8. According to trade sources, another 280 tons of apples, valued approximately at $200,000, are scheduled to be shipped to Cuba during the period July-September 2002. The inaugural shipment follows on the heels of the recent agreement reached between APHIS and Cuba's Centro Nacional Sanidad Vegetal (CNSV) that established the phytosanitary requirements for the exportation of apples from Washington and New York.

California Table Grapes Debut in Australia

On Tuesday, July 16, 2002, the first consignments of table grapes from California arrived in Sydney, Melbourne, and Brisbane via airfreight, following years of negotiations on a market access protocol. The total shipment consisted of 132 cartons of Flame Seedless. U.S. industry contacts believe that this market, which is counter-seasonal to the Northern Hemisphere, has considerable export potential that could reach $10 million annually.

Mexico Moves to Limit Use of High Fructose Corn Syrup

On July 12, 2002, Mexico's Supreme Court of Justice (SCJN) voted unanimously in favor of a ruling that endorses the collection of a 20-percent duty on soft drinks and beverages that contain high fructose corn syrup (HFCS). This duty had been temporarily suspended by President Fox in March 2002. With this decision, the SCJN sides with the Lower House of Congress, which had approved in December 2002, a tax of 20-percent on soft drinks and beverages that contain HFCS. The duty was imposed on July 16, 2002, and will not be applied retroactively for the period from March 6, 2002 to July 15, 2002. This will principally affect U.S. shipments of HFCS and corn used for the production of HFCS. Mexico consumes about 600,000 tons of HFCS annually, of which about 80 percent is used in the beverage industry. The United States supplies about of 250,000 tons of HFCS and about 700,000 tons of corn, which is converted into 350,000 tons of HFCS. The new law is expected to generate about $7.5 billion in revenues.

U.S. Hazelnut Exports Sky Rocket

U.S. exports of hazelnuts during the first 6 months of fiscal year 2002 reached 20,258 tons, up 100 percent compared to the same period last year, with an estimated value of $27 million. U.S. hazelnut production set a record in 2001/02 totaling 43,545 tons, up 92 percent from the previous year’s harvest and 26 percent above the 1999/2000 production. China is by far the largest customer for U.S. hazelnuts, importing nearly 15,000 tons with a value of $18.4 million. Germany is the second largest market for U.S. hazelnuts importing approximately 1,400 tons, worth nearly $2 million.

Florida's High Court Refuses to Hear Citrus Canker Case

On July 18, 2002, the Florida Supreme Court refused to hear a case concerning the state's citrus canker eradication law. As a result, a May 24, 2002, ruling stands, which stated that a new law giving Florida the power to remove healthy citrus trees was unconstitutional. Several counties in Florida had filed a lawsuit to challenge the law, which required Florida to remove healthy citrus trees within 1,900 feet of those infected with citrus canker. On July 9, 2002, the 4th District Court of Appeal had asked Florida's Supreme Court to hear the case immediately given the seriousness of the situation. A citrus canker outbreak in commercial production areas would have potentially serious consequences to Florida's $9 billion industry. U.S. exports of grapefruit, much of which originate from Florida, totaled nearly $197 million in calendar year 2001, of which $51 million or 26 percent went to the EU. The EU and other citrus-producing countries have been closely following the situation in Florida, as they are very concerned about the spread of citrus canker and how it might impact U.S. commercial groves and trade. To date, however, there have been no reports of trade disruptions resulting from the citrus canker situation.

Export News and Opportunities

Every U.S. exporter wants to get paid. However, credit can make or break a deal. It can shift the advantage to you or to your competitor. That's why many exporters turn to the U.S. Department of Agriculture's (USDA) Export Credit Guarantee Programs. With USDA's guarantee behind the credit, you can arrange competitive financing with less risk. Your buyers may benefit too, from longer terms and lower rates. In FY 2002, USDA has made available over $5 billion in credit guarantees to facilitate sales to selected developing countries, Western Europe, Japan, Hong Kong, and Taiwan. Invest the time to learn more about the Export Credit Guarantee Programs, (GSM-102) and Supplier Credit Guarantee Program (SCGP), to increase your sales and lower your risks. Use GSM and SCGP to avoid possible importer and foreign bank defaults on payments and ensure that American farm and food products continue to move to markets around the world. While USDA does not provide financing, it guarantees payments due to U.S. exporters in case the foreign banks' or importers' default.

You may learn more about GSM-102 and SCGP regulations, country specific press releases and program announcements, and a Monthly Summary of Export Credit Guarantee Program Activity on the Internet at:

http://www.fas.usda.gov/export.html

GSM-102

The GSM-102 program makes available credit guarantees for sales of U.S. agricultural commodities overseas. USDA does not provide financing, but guarantees payments due from foreign banks. USDA typically guarantees 98 percent of the principal and a portion of the interest. The GSM-102 program covers credit terms from 90 days to 3 years.

Under the program, once a firm sale exists, the qualified U.S. exporter applies for a payment guarantee before the date of export. The U.S. exporter pays a fee calculated on the dollar amount guaranteed, based on a schedule of rates applicable to different lengths of credit periods. The CCC-approved foreign bank issues a dollar-denominated, irrevocable letter of credit in favor of the U.S. exporter, ordinarily advised or confirmed by the financial institution in the United States agreeing to extend credit to the foreign bank. The U.S. exporter may negotiate an arrangement to be paid as exports occur by assigning the U.S. financial institution the right to proceeds that may become payable under the guarantee, and later presenting required documents to that financial institution. Such documents normally include a copy of the export report. If a foreign bank fails to make any payment as agreed, the exporter or the assignee may file a claim with USDA for the amount due and covered by the guarantee. USDA will pay the U.S. bank and will take on the responsibility of collecting the overdue amount from the foreign bank.

Supplier Credit Guarantee Program

On July 16, USDA amended the SCGP for Mexico for fiscal year 2002. The amendment increases the allocation from $200 million to $250 million. All other terms and conditions as previously announced remain the same. The previous FAS announcements pertinent to this allocation are PR 0338-01 and PR 0097-02.

The SCGP is unique because it covers short-term financing extended directly by U.S. exporters to foreign buyers and requires that the importers sign a promissory note in case of default on the CCC-backed payment guarantee. The SCGP emphasizes high-value and value-added products, but may include commodities or products that also have been programmed under the GSM-102 program.

The SCGP encourages exports to buyers in countries where credit is necessary to maintain or increase U.S. sales but where financing may not be available without CCC guarantees. Under the SCGP, CCC guarantees a portion of payments due from importers under short-term financing (up to 180 days) that exporters have extended directly to the importers for the purchase of U.S. agricultural commodities and products. These direct credits must be secured by promissory notes signed by the importers. CCC does not provide financing but guarantees payment due from the importer.

GSM-102 and SCGP

The following tables present the FY 2002 GSM-102 and SCCP for which USDA has allocated credit guarantees for sales of U.S. horticultural products. The table also includes horticultural sales (exporter applications received) that have been registered under GSM-102 and SCGP. For most countries and regions, exporters may apply for credit guarantees on a first-come-first-served basis to cover sales of any of the eligible commodities published in FAS program announcement PR 0096-01, issued March 20, 2001 or as superseded. The following horticultural products are eligible under the export credit guarantee programs: dried fruit; fresh fruit; frozen fruit; canned fruit; 100-percent fruit juices; fruit and vegetable concentrates, pastes, pulps and purees; honey; hops or hops extract; beer; tree nuts; fresh vegetables; canned vegetables; dried vegetables; wine; and brandy. The General Sales Manager will consider requests to establish an SCGP and/or GSM Program for a country or region or amend an authorized program to include horticultural commodities and products that are currently not eligible.

(For further information on the SCGP or GSM-102 Program for horticultural commodities, contact Yvette Wedderburn Bomersheim on 202-720-0911).

FY 2002 SCGP COVERAGE

Country	Commodity	Announced Allocations	Exporter Applications Received	Balance
		--coverage in millions of dollars--		
Algeria		10.00	0.00	10.00
Azerbaijan		5.00	0.00	5.00
Baltic Region		20.00	0.64	19.36
Caribbean Region		10.00	1.55	8.45
	Wine (180)		0.02	
Central America Region		50.00	23.93	26.07
	Fruit, Fresh (180)		0.20	
Central Europe Region		20.00	0.00	20.00
China/Hong Kong Region		50.00	0.10	49.90
	Wine (180)		0.01	
Egypt		20.00	8.60	11.40
India		25.00	0.00	25.00
Israel		20.00	0.04	19.96
Japan		50.00	0.00	50.00
Kazakhstan		15.00	2.00	13.00
Kenya		2.00	0.00	2.00
Korea		50.00	8.44	41.56
	Fruit, Canned (180)		0.19	
	Fruit, Fresh (180)		8.20	
	Wine (180)		0.05	
Mexico		200.00	135.74	64.26
	Fruit, Fresh (180)		0.03	
	Wine (180)		0.04	
Pakistan		10.00	0.00	10.00
Poland		10.00	0.05	9.95
Russia		20.00	1.81	18.19
	Fruit, Fresh (180)		0.01	
South Africa		10.00	0.00	10.00
South America Region		20.00	1.33	18.67
Southeast Asia Region		150.00	54.98	95.02
	Fruit, Fresh (180)		0.20	
	Fruit Juice (180)		0.01	
	Fruit Juice Concentrates (180)		0.01	
	Wine (180)		0.02	
Southeast Balkans Region		75.00	0.57	74.43
Southeast Europe Region		20.00	0.00	20.00
Sri Lanka		10.00	0.00	10.00
Taiwan		50.00	0.01	49.99
	Wine (180)		0.01	
Turkey		10.00	0.80	9.20
West Africa Region		35.00	5.91	29.09
Western Europe Region		50.00	1.01	48.99
	Wine (180)		0.12	
Yemen		10.00	0.00	10.00

FY 2002 GSM-102 COVERAGE

Country	Announced Allocations --coverage in millions of dollars--
Algeria	150.00
Azerbaijan	5.00
Baltic Region	15.00
Bulgaria	7.00
Caribbean Region	220.00
Central America Region	250.00
Central Europe Region	10.00
China/Hong Kong Region	300.00
Dominican Republic	25.00
East Africa	5.00
Egypt	100.00
India	25.00
Jordan	40.00
Kazakhstan	10.00
Korea	850.00
Lebanon	10.00
Malaysia	30.00
Mexico	500.00
Morocco	10.00
Nigeria	10.00
Philippines	100.00
Poland	25.00
Romania	25.00
Russia	20.00
South America Region	600.00
Southeast Asia Region	190.00
Southeast Europe Region	25.00
Southern Africa Region	50.00
Sri Lanka	35.00
Thailand	100.00
Tunisia	30.00
Turkey	345.00
West Africa Region	14.00

Top United States Horticultural Product Exports By Value

Ranked In Terms of Highest Value (includes only products with specific commodity definitions)

Commodity	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	Oct. - May FY 2001	Oct. - May FY 2002
				--- 1,000 Dollars ---			
Almonds	879,032	772,891	696,818	580,815	686,081	470,319	508,417
Essential Oils	622,219	532,623	507,651	591,583	674,581	429,266	483,882
Wine & Wine Prdts.	390,376	510,923	545,287	538,143	549,045	359,705	335,361
Fresh Apples	412,855	328,068	375,869	336,444	414,808	319,958	274,230
Fresh Grapes	313,836	274,953	283,865	332,162	390,008	211,450	208,903
Frz. Potato Fries	294,417	313,209	343,216	339,553	359,847	241,683	228,965
Oranges	308,055	339,114	159,585	268,808	304,577	262,809	228,217
Orange Juice All	305,172	295,564	307,165	290,395	251,098	168,506	204,475
Proc. Tomatoes	229,526	233,209	220,380	221,306	227,450	154,955	156,497
Nursery Products	185,316	220,055	229,737	216,722	215,288	169,380	154,702
Fresh Lettuce	146,640	173,746	157,262	180,099	201,454	148,313	162,504
Beer	341,784	280,088	211,861	177,241	200,866	115,349	107,527
Grapefruit	240,408	189,744	221,443	208,329	199,813	186,453	189,584
Potato Chips	145,468	226,987	257,355	243,824	184,044	132,255	107,894
Walnuts	195,209	153,863	154,449	149,315	175,735	143,337	152,095
Fresh Cherries	140,650	113,556	154,793	169,516	159,852	47,601	50,581
Prunes	138,398	133,732	133,885	131,697	152,507	107,746	92,921
Raisins	204,388	199,733	198,817	145,861	151,155	101,262	97,308
Fresh Tomatoes	123,789	122,345	127,153	148,312	150,890	98,946	89,717
Proc. Sweet Corn	167,490	139,068	148,050	146,591	120,736	87,097	85,875
Total Other	4,838,913	4,765,679	4,864,543	5,121,136	5,292,064	3,466,214	3,510,315
GRAND TOTAL	10,623,941	10,319,150	10,299,184	10,537,852	11,061,899	7,422,604	7,429,970

Top United States Horticultural Product Exports By Volume

Ranked In Terms of Highest Value (includes only products with specific commodity definitions)

Commodity	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	Oct. - May FY 2001	Oct. - May FY 2002
Fresh Apples	690,595	539,685	664,969	571,860	743,644	580,420	462,851
Oranges	569,739	609,433	247,419	490,867	541,444	462,621	373,767
Frz. Potato Fries	396,738	438,425	468,826	469,287	505,549	340,043	323,854
Orange Juice All	565,332	553,175	554,951	550,888	464,026	312,690	516,292
Grapefruit	484,417	387,216	428,784	390,958	389,629	365,771	374,357
Fresh Onions	265,859	292,328	257,089	333,775	357,446	259,791	211,721
Fresh Lettuce	294,571	303,816	312,563	328,600	350,079	257,779	276,838
Wine & Wine Prdts.	208,786	266,294	274,696	281,475	311,953	204,774	182,407
Fresh Grapes	236,400	214,569	221,158	272,901	303,396	158,149	152,716
Beer	536,362	425,523	330,158	278,522	301,947	169,612	157,766
Proc. Tomatoes	293,112	300,327	264,369	277,277	297,041	203,026	203,734
Almonds	187,953	202,968	200,847	220,099	259,716	171,543	205,588
Fresh Melons	219,695	211,310	247,448	250,860	234,690	79,482	79,266
Fresh Tomatoes	153,657	133,687	148,271	181,892	173,336	102,299	101,633
Pears	126,603	156,807	145,816	162,629	158,333	121,056	133,886
Fresh Broccoli	130,999	126,791	154,514	182,848	157,406	106,055	102,384
Proc. Sweet Corn	203,613	171,294	186,153	187,818	150,693	110,994	99,069
Peaches	103,442	80,023	97,974	113,098	129,292	20,779	22,715
Lemons	120,330	113,392	113,931	106,249	110,373	87,956	75,883
Raisins	115,215	120,741	104,225	83,832	110,035	72,447	72,965

1/ Wine and beer is reported in 1,000 liters, orange juice in 1,000 single strength liters, and all other groups in 1,000 kilograms.

Source: U.S. Department of Commerce, Bureau of the Census.

Top United States Horticultural Product Imports By Value

Ranked In Terms of Highest Value (includes only products with specific commodity definitions)

Commodity 1/	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	Oct. - May FY 2001	Oct. - May FY 2002
				--- 1,000 Dollars ---			
Beer	1,443,326	1,677,002	1,865,038	2,126,018	2,296,189	1,462,486	1,613,337
Wine & Wine Prdts.	1,629,254	1,829,709	2,150,057	2,271,185	2,284,016	1,512,239	1,673,619
Bananas & Plantns	1,194,458	1,188,442	1,180,227	1,098,409	1,125,986	747,315	772,045
Nursery Products	565,267	632,672	673,194	745,977	789,187	574,221	571,373
Fresh Tomatoes	611,612	735,180	713,121	608,428	755,074	576,615	433,834
Fresh Grapes	386,183	440,659	545,409	518,260	580,879	421,076	558,299
Cut Flowers	572,926	630,067	578,766	623,213	577,480	443,696	411,568
Fresh Peppers	251,908	343,606	324,880	451,848	507,973	384,024	322,830
Cashews	292,315	339,490	390,111	487,687	366,770	242,846	230,833
Frz. Potato Fries	156,831	216,576	252,437	321,914	338,228	222,241	255,521
Essential Oils	322,447	350,086	315,861	309,570	300,148	205,264	216,192
Fresh Melons	226,502	250,921	277,880	259,797	285,714	282,954	261,314
All Apple Juices	354,632	228,735	210,263	278,975	230,401	151,192	157,607
Olives	184,217	181,730	200,293	184,928	204,762	131,057	135,297
Fresh Cucumbers	100,823	154,634	138,241	168,771	200,539	159,448	147,980
All Orange Juices	240,072	211,353	285,947	243,298	185,182	132,918	100,592
Fresh Onions	127,447	151,990	135,574	131,705	168,119	138,048	118,662
Fresh Mangos	123,009	125,047	138,823	142,010	152,097	81,585	95,310
Fresh Pineapple	74,441	83,676	121,679	117,539	151,773	102,407	112,954
Total Other	4,222,577	4,604,941	5,368,446	5,315,151	5,521,799	3,790,290	4,265,860
GRAND TOTAL	13,080,247	14,376,516	15,866,247	16,404,683	17,022,316	11,761,922	12,455,027

1/ Nursery Products excludes cut flowers.

United States Top Horticultural Product Imports By Volume

Ranked In Terms of Highest Value (includes only products with specific commodity definitions)

Commodity 1/ 2/	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	Oct. - May FY 2001	Oct. - May FY 2002
Beer	1,612,379	1,869,577	2,072,394	2,290,532	2,490,362	1,580,634	1,719,140
Wine & Wine Prdts.	432,192	428,664	420,152	481,164	510,722	331,554	386,301
Bananas & Plantns	3,911,294	4,135,832	4,369,283	4,350,838	4,046,727	2,735,895	2,746,086
Nursery Products	2,206,085	2,460,306	2,765,772	2,860,569	2,926,930	1,803,975	1,848,319
Fresh Tomatoes	743,205	856,852	722,591	708,690	868,191	680,716	471,798
Fresh Grapes	857	1,039	978	1,185	1,060	893	1,115
Cut Flowers	2,770,092	2,770,186	2,707,948	2,804,568	2,642,815	1,996,479	1,956,115
Fresh Peppers	284,221	319,671	345,444	352,169	346,582	254,918	294,565
Frz. Potato Fries	269,794	353,931	397,455	470,605	519,789	339,071	418,671
Fresh Melons	779,005	860,437	873,032	898,995	878,305	868,498	887,249
All Apple Juices	1,084,986	1,016,823	1,140,355	1,171,502	1,231,801	761,566	897,631
Fresh Cucumbers	302,306	327,745	336,045	346,863	373,629	317,704	317,672
All Orange Juices	1,116,798	1,063,239	1,326,231	1,284,749	976,357	696,768	469,027
Fresh Onions	261,088	259,188	246,532	224,080	269,179	214,560	210,837
Fresh Mangos	191,115	188,767	212,992	231,078	229,473	116,785	149,094
Fresh Pineapple	171,253	255,533	272,601	304,207	333,479	233,768	243,310
Fresh Squash	141,192	157,537	151,916	156,520	168,099	157,141	158,902
Frozen Broccoli	169,458	153,962	186,187	164,090	168,988	120,450	132,119
Fresh Apples	168,564	156,700	158,550	170,490	156,593	96,513	105,871

1/ Wine and beer is reported in 1,000 liters, orange juice in 1,000 single strength liters, and all other groups in 1,000 kilograms.
2/ Nursery Products excludes cut flowers.
Source: U.S. Department of Commerce, Bureau of the Census.

Selected Horticultural Crop Prices Received By U.S. Growers

Commodity	Domestic units	2001 June	2002 May	2002 June\1	% Change Last Month	% Change Last Year
			Dollars/unit			
Grapefruit 2/	Box	3.44	1.05	4.16	296.2%	20.9%
Lemons 2/	Box	9.27	7.58	9.52	25.6%	2.7%
Limes 2/	Box	0	0	0	n/a	n/a
Oranges 2/	Box	3.77	4.82	4.13	-14.3%	9.5%
Tangelos 2/	Box	0	0	0	n/a	n/a
Tangerines 2/	Box	0	19.33	0	-100.0%	n/a
Temples 2/	Box	0	0	0	n/a	n/a
Apples, fresh 3/	Lb.	0.149	0.218	0.201	-7.8%	34.9%
Grapes	Ton	1190	0	920	n/a	-22.7%
Peaches	Lb.	0.339	0.475	0.275	-42.1%	-18.9%
Pears, fresh 3/	Ton	0	267	337	26.2%	n/a
Strawberries, fresh	Lb.	0.625	0.634	0.647	2.1%	3.5%
Asparagus 4/	Cwt.	101	109	95.8	-12.1%	-5.1%
Broccoli 4/	Cwt.	27	20.8	31.1	49.5%	15.2%
Cantaloupes	Cwt.	14.6	28	14.9	n/a	2.1%
Carrots 4/	Cwt.	20.1	21.2	21.2	0.0%	5.5%
Cauliflower 4/	Cwt.	37.4	26.4	38	43.9%	1.6%
Celery 4/	Cwt.	33.7	12.3	9.62	-21.8%	-71.5%
Sweet Corn 4/	Cwt.	18.6	16.5	16.7	1.2%	-10.2%
Cucumbers 4/	Cwt.	16.7	16.9	19	n/a	13.8%
Lettuce 4/	Cwt.	12.1	9.97	9.82	-1.5%	-18.8%
Onions 4/	Cwt.	15.3	21.8	21.4	-1.8%	39.9%
Snap Beans 4/	Cwt.	36.2	44	50.7	15.2%	40.1%
Tomatoes 4/	Cwt.	28.5	30	31	3.3%	8.8%

1/ Preliminary
2/ Equivalent on-tree returns.
3/ Equivalent packinghouse-door returns for CA and NY (apples only), OR (pears only), and WA (apples, peaches, and pears). Prices as sold for other states.
4/ Fresh-market, FOB shipping point.

Weight per box of citrus.
Grapefruit : AZ, CA = 67 Lbs., Florida = 85 Lbs., and Texas = 80 Lbs. per box.
Lemons: AZ, CA = 76 Lbs. per box.
Limes: Florida = 88 Lbs. per box.
Oranges: AZ, CA = 75 Lbs., Florida = 90 Lbs., and Texas = 85 Lbs. per box.
Tangelos and Temples: Florida 90 Lbs. per box.

Note: Zeroes indicate insufficient information or insufficient sales to establish a price.
Source: National Agricultural Statistics Service (NASS), USDA.